



NAVAL POSTGRADUATE SCHOOL

MONTEREY, CALIFORNIA

THESIS

**A PERFORMANCE ANALYSIS OF THE OFFICER
LATERAL TRANSFER AND REDESIGNATION PROCESS**

by

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September 2004

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AND REDESIGNATION PROCESS**

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ABSTRACT

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ABBREVIATIONS AND ACRONYMS

The following abbreviations are used throughout the thesis:

ACCP	Aviation Career Continuation Pay
ACNO	Assistant Chief of Naval Operations
ACNP	Assistant Chief of Naval Personnel
AEDO	Aviation Engineering Duty Officer
AICP	Aviation Incentive Pay
AMDO	Aviation Maintenance Duty Officer
AOCS	Aviation Officer Candidate School
ASTB	Aviation Selection Test Battery
AQD	Additional Qualification Designation
AVF	All Volunteer Force
BUMED	Bureau of Medicine
CAPT	Captain
CDR	Commander
CDO	Command Duty Officer
CEC	Civil Engineering Corps
CICO	Combat Information Center Officer
CNO	Chief of Naval Operations
CNP	Chief of Naval Personnel
CNRC	Commander Navy Recruiting Command
CWO	Chief Warrant Officer
DCNO	Deputy Chief of Naval Operations
DCNP	Deputy Chief of Naval Personnel
DESG	Designator
DH	Department Head
DOD	Department of Defense
DOPMA	Defense Officer Personnel Management Act
DOSP	Division Officer Sequencing Plan
EDO	Engineering Duty Officer
EMPRS	Electronic Military Personnel Records System
ENS	Ensign
EOOW	Engineering Officer of the Watch
FCO	Fire Control Officer
FFG	Guide Missile Frigate
FITREP	Fitness Report
FOS	Failure of Selection
FRS	Fleet Replacement Squadron
FSO	Fleet Support Officer
FTS	Full Time Support
FY	Fiscal Year

GR	Grade
GURL	General Unrestricted Line
HR	Human Resource
IP	Information Professional
IRAD	Involuntary Release from Active Duty
JAG	Judge Advocate General
LCDR	Lieutenant Commander
LDO	Limited Duty Officer
LOS	Length of Service
LT	Lieutenant
LTjg	Lieutenant Junior Grade
LT&R	Lateral Transfer & Redesignation
MAT	Minimal Activity Tour
MILSPERMAN	Military Personnel Manual
MSC	Medical Service Corps
MSR	Minimum Service Requirement
NAVADMIN	Navy Administrative Message
NAVMAC	Navy Manpower Analysis Center
NAVPERS	Naval Personnel
NFO	Naval Flight Officer
NOB	Not Observed
NOBC	Navy Officer Billet Classification
NODAC	Navy Occupational Development Center
NOOCS	Navy Officer Occupational Classification System
NPQ	Not Physically Qualified
NROTC	Naval Reserve Officer Training Corps
OC	Officer Candidate
OCM	Officer Community Manger
OCS	Officer Candidate School
OIS	Officer Indoctrination School
OMF	Officer Master File
OPA	Officer Program Authorization
OSD	Office of Secretary of Defense
OSR	Officer Summary Record
PAO	Public Affairs Officer
POC	Point of Contact
PSR	Performance Summary Record
RL	Restricted Line
SECNAVINST	Secretary of the Navy Instruction
SDO	Special Duty Officer
SERB	Special Early Retirement Board
SSB	Special Separation Bonus
SSIP	Submarine Support Incentive Pay
STA	Seaman to Admiral
SUB	Submarine

SWO	Surface Warfare Officer
SWOCP	Surface Warfare Officer Continuation Pay
SWOCSB	Surface Warfare Officer Status Bonus Pay
SWOS	Surface Officer Warfare School
TA	Tuition Assistance
TAO	Tactical Action Officer
TAR	Training and Administration of Reserve
TERA	Temporary Early Retirement Authority
URL	Unrestricted Line
USC	United States Code
USMC	United States Marine Corps
USN	United States Navy
USNA	United States Naval Academy
USNR	United States Naval Reserve
VSI	Voluntary Separation Incentives
WOBA	Without Board Action
YCS	Years of Commissioned Service
YG	Year Group
YOS	Years of Service

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I. INTRODUCTION

A. BACKGROUND

This thesis analyzes historical patterns of the lateral movement of officers between communities and the effect of lateral transfer on community inventories. According to Secretary of the Navy Instruction (SECNAVINST) 1210.5A, dated 24 July 1985, transfers and redesignation shall be used: “[1] For the career development of individual officers; [2] To assist the Navy in attaining the objective of an all Regular career force in the grades of Lieutenant Commander and above; [3] To the extent necessary to sustain authorized strength on the active-duty list, authorize Regular officer strength and authorizes strength in the Training and Administration of Reservist (TAR) program, within each competitive category and specialty; and, [4] To maintain promotion opportunity guidelines within each competitive category.”

The goal of this thesis is to determine the effectiveness of the lateral transfer and redesignation process in meeting these career force goals. The initial hypothesis is that the Lateral Transfer and Redesignation (LT&R) process improves efficiency in resource utilization because it allows a better match between inventories and requirements in the Navy’s internal labor market. The thesis uses both qualitative and quantitative data to analyze this initial hypothesis.

In the qualitative section, multiple Navy Administrative Messages (NAVADMIN) are used to identify officer progression policies, restrictions on officer Year Group (YG) lateral transfers, barriers to lateral transfers, and the selection of Navy officers for redesignation. Officer community requirements between April 1996 and November 2003 form the qualitative baseline. This instrumental systems approach allows for a thorough study of the performance of the redesignation and transfer process during the peak of the Navy manpower drawdown, and during the post-drawdown period until December 2003. Appendix A contains definitions of terms related to the LT&R process.

A more quantitative analysis is also performed using the Officer Master File (OMF) and Promotion Board selections for Year Groups (YG) 1987-1991. These data are

used to identify trends in the LT&R process, the characteristics of officers who lateral transferred, and the impact of transferring on the later career performance of the officers.

Data used in this thesis were obtained from Chief of Naval Operations (CNO) Officer Plans and Policy (N131) and are based on Fiscal Year (FY) 2003 Officer Program Authorizations (OPA). The numbers reflect data on inventory-to-billets by pay grade and designator. The Navy has 53,866 officers authorized to support the Navy's 12 Carrier Strike Groups and 12 Amphibious Readiness Groups afloat and ashore. At the end of FY 2003 the Navy had an inventory of 55,067 officers--1,201 officers in excess of OPA. However, the inventory of officers does not always match the required designators and pay grades. One of the objectives of the lateral transfer process is to facilitate internal movement of seasoned and proven warfare qualified Unrestricted Line Officers (URL) to fill billet vacancies that exist in other communities, largely the Restricted Line (RL) and Staff communities. The governance and timing of the LT&R process is described in Appendix B.

Appendix C contains the FY 2003 OPA, the FY 2004 Accession Plan by Officer Community and Accession Projections for FY 2004-2009. These documents show officer requirements, inventory and projected future demands for officers by designator and pay grade. Since there is no external manpower supply to draw upon, with the exception of very limited Reserve Officer recalls, the Navy is limited in its ability to create mid-career officers with six to twelve Years of Commissioned Service (YCS) to fill billets at these levels. Increasing entry accessions can fill these gaps, but this solution takes time, during which the shortages go unfilled. However, the supply of Navy officers (either at the entry level or at the O-3 pay grade) may potentially supply enough officers to fill vacant mid-grade billets if officers are allowed to redesignate.

The thesis provides an overview and analysis of the LT&R process. It will review the continued use of the lateral transfer process to meet future demand for officers at higher pay grades. The thesis shows that future accession costs can be reduced if more flexible LT&R policies were adopted. Such policies would promote greater efficiency in meeting Restricted Line and Staff Corp Community officer requirements.

B. HISTORICAL OVERVIEW

Increased productivity from improved efficiency, innovation and automation contributes to a higher standard of living for society. The drive for self-improvement tied with an inalienable sense of self-preservation and self-determination has created the world's most powerful military. The U.S. established a very large military after World War II as a direct result of its voluntary engagement in the early-1950 Korean Conflict and of the threat from the Soviet Union. Only after the demise of the Soviet Union in December 1991 did the status quo truly change for the U. S. military. The requirement for a large Cold War force became obsolete.

Shifts in national resources caused defense manpower to drop approximately 40% between 1991 and 1996. Various voluntary and involuntary methods were used to downsize the force. Congress provided the uniformed services with various methods to reach lower personnel end strength targets. Additionally, Congress relaxed portions of the 1980 Defense Officer Personnel Management Act (DOPMA), which governs officer strength in certain pay grades. During the drawdown of the 1990's, Congress was committed to minimizing the effects of involuntary selection for release, separation, or early retirement on the career force—particularly affecting those who had six or more years of service.

The initial down-sizing of the officer corps was achieved by cutting accessions from the Navy Reserve Officer Training Corps (NROTC), Aviation Officer Candidate School (AOCS) and Officer Candidate School (OCS). Additionally, officers who failed initial warfare training, especially aviation, were immediately released from active duty. Officers holding reserve commissions were involuntarily released from active duty (IRAD) as a means to meet end strength targets. These officers were commissioned in a Probationary Status and could be separated depending on needs of the Navy. These seemingly painless cuts passed Navy leadership an eventual mid- and long-term negative impact. End strength planners projected that because of the cuts certain entry cohorts during the later 1990s would cause officers to remain on active duty until they reached the O-5 pay grade to achieve the match between inventory and OPA.

Several environmental factors exacerbated the effects of the draw down: a sexual harassment scandal and its effect on morale; a robust national economy; the growth of the internet; a Democratic administration that promoted social programs that competed with the military; and a Department of Defense (DOD) leadership which espoused, “do more with less.” The DOD leadership ignored the possibility that the cuts were creating a future military readiness shortfall.

The Navy’s ethos was to fight on and from the sea. It was directed by From the Sea and Forward from the Sea doctrines and was executed by the three dominant URL communities—air, surface and subsurface warfare. The URL is supported by the RL and Staff Corps communities, which provide expertise in many disciplines and professions that are crucial to the URL mission. As the force emerged from the drawdown, gaps in many officer communities became painfully apparent. High operational tempo and arduous sea duty exacerbated community shortfalls that slowly starved for new and junior officers at various grades. In the post-draw down environment the Navy has grappled with select officer shortages and searched for new force-shaping initiatives.

C. ORGANIZATION OF THE THESIS

The following chapters examine the Navy LT&R process. Chapter II explains the actual mechanics of the LT&R process, including the supply, demand and selection of officers for redesignation. Chapter III presents an overview of the lateral transfer and redesignation process. It describes the various officer communities and the policies that govern career performance and the internal movement of officers between communities. Chapter IV quantitatively analyzes the effects of lateral transfers on officer career success. The goal of this analysis is to analyze the efficiency of the transfer process in terms of meeting requirements and in terms of who is chosen for redesignation. Chapter V summarizes the purpose of the LT&R process and explains the restrictions that impede the full efficiency of the redistribution system. The chapter also summarizes the results and discusses policy changes that can increase the effectiveness of the LT&R process.

II. LATERAL TRANSFER AND REDESIGNATION PROCESS

A. OFFICER GROUPS

There are three broad categories of Navy officers. The first is a commissioned Naval officer in the United States Navy (USN). The second is a Naval officer commissioned in the United States Naval Reserve (USNR). The third is a Naval officer commissioned in the Navy Reserve Full Time Support (FTS) community previously known as the Training and Administration of the Reserve (TAR) Community; United States Naval Reserve (USNR FTS).

These three categories are further divided into four major groupings of Navy Officers: Unrestricted Line (URL), Staff Corps (Staff), Limited Duty Officer (LDO) and Chief Warrant Officer (CWO), and Restricted Line (RL). Figure 1 shows the number of officers in each community and its percentage of all Navy officers as of September 2003. Each group has both statutory and administrative requirements, which differentiate one group from another and compose the different competitive officer communities. Title 10 United States Code (U.S.C.) and Navy instructions govern the four groups of officers each of which contain the three types of officers (Regular, Reserve, and Full Time Support). The Navy's numeric coding of officer designators assigned to officer communities is contained in Appendix D.

1. Unrestricted Line Officers

The URL consists of air, surface and subsurface warriors and is the only officer group with command at sea opportunity. Typically, all physically qualified officers commissioned from the United States Naval Academy (USNA), Naval Reserve Officer Training Corps (NROTC) and, depending upon the needs of the Navy, from Officer Candidate School (OCS), are commissioned into the URL. Depending upon the community selected and the specific training received, their service obligation can range from four to approximately ten years. Predominantly URL Surface Warfare Officers, apply for redesignation and transfer to the RL or Staff communities.

Officer Groups (Sept 2003)

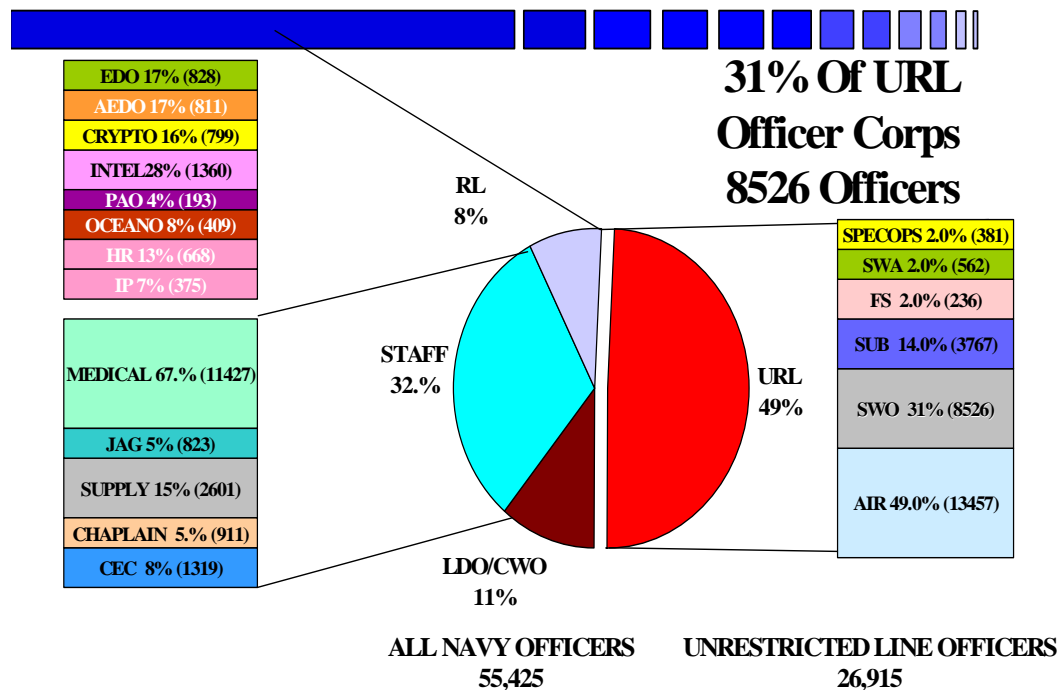


Figure 1. Number and Percentage of Navy Officer Groups, as of September 2003
From: Surface Warfare OCM website Community Brief (10 February 2004)

As of September 2003, the URL was composed of the following communities: 49% Aviation (Pilot and Naval Flight Officer (NFO)); 31% Surface Warfare Officer (SWO); 14% Submariner; 2% Special Operations (SPECOPS); 2% Special Warfare (SPECWAR); 2% Fleet Support Officer (FSO). The FSO community no longer has a role in the LT&R process.

2. Staff Corps Officers

The Staff Corps accesses officers from USNA, NROTC, OCS, or Officer Indoctrination School (OIS). The Staff Corps consists of the following five communities: 67% Medical including Doctor, Dentist, Nurse, and Medical Service Corps (MSC); 15% Supply Corps; 8% Civil Engineering Corps (CEC); 5% Judge Advocate General Corps (JAG); and 5% Chaplain Corps. Two of the communities access officers

with specific Bachelor's degrees, while the remaining three require specialized education, training, and civilian certifications and do not accept LT&R accessions. Therefore, this thesis concentrates on the Supply Corps and Civil Engineering Corps, which receive the most transfers.

3. Limited Duty Officers and Chief Warrant Officers

The LDO and CWO communities are comprised of prior enlisted service members who have earned a commission based on their enlisted specialization. This group does not accept transfers but LDOs do have the opportunity to redesignate or transfer to select URL, RL and Staff Communities. Other than examining transfers from the LDO community into the RL and Staff communities, this group of officers was not researched for the purposes of this thesis.

4. Restricted Line Officers

The RL currently receives new accessions mostly from OCS, although officers from USNA and NROTC who are not physically qualified for URL can select the RL. A sizeable number of officers who initially enter the URL later leave to seek a new career opportunity in a specific RL community. All communities in this group receive a significant number of transfers from the URL. The RL consists of the following nine communities: 17% Engineering Duty Officer (EDO); 17% Aviation Maintenance/Engineering Duty Officer (AMDO & AEDO); 16% Cryptology; 28% Intelligence; 4% Public Affairs Officer (PAO); 8% Oceanography; 13% Human Resource (HR); and 7% Information Professional (IP).

A simple labor market supply and demand model best explains the LT&R process. However, the market is heavily regulated and officer supply is limited both in terms of new accessions and lateral transfers.

During the 1990's, the Navy was directed to reduce end-strength by reducing officer accessions through separating reserve and nonqualified officers, by paying separation bonuses to junior and mid-grade officers, termination of officers failing to promote, offering or mandating and directing early retirement for mid-grade to senior officers who were not traditionally retirement eligible, and by involuntarily retiring

officers who were retirement eligible. Other changes involved allowing women to serve in combat roles and the establishment of the Fleet Support Officer (FSO) Community. The change created unforeseen complications for the LT&R process because the billets that the new FSO Community filled with Ensigns (ENS) would now have to be filled via the LT&R process by officers who were Lieutenant Junior Grades (LTjg) and above. This community was not properly planned for and was eventually split into two new communities. These changes had a dynamic impact on the LT&R process.

By the mid 1990s, the Navy needed to increase retention due to some excessive down sizing policies and the URL communities began to restrict redesignations. They increased retention by implementing continuation pays and by continuing officers who were passed over for promotion. By 2003, the Navy's retention efforts was to a point that it was once had to reduce end-strength by restricting accessions through separating non-qualified officers and by offering early retirement. These short-term force-shaping policies may negatively impact the future supply of officers available to redesignate.

B. OFFICER SUPPLY

Table 1 shows the FY 2004 Accession Plan, which indicates that a total supply of 2,708 new officers will be commissioned that year. If all officers are distributed properly, these accessions will exceed requirements (demand) by 138 officers, roughly 5%.

Source	Supply	Warfare Demand	RL & Staff Demand	Delta	Total Excess
USNA	826	8261	N/A	N/A	N/A
NROTC	855	8551	N/A	N/A	N/A
OCS	833	705	128	128	N/A
Other	322	TBD	194	138	138
Total	2,708	2,386	322	0	0

Table 1. FY 2004 Accession Plan
From: Appendix C; N/A=Not Available

After commissioning, URL officers earn a warfare qualification. Tables 2 and 3 show the URL warfare qualified inventory-to-billet status for pay grades and officer communities for 2003. The table identifies considerable strains on specific URL communities, in particular shortages in the Surface Warfare and Submarine Communities at the pay grades of O-4 and above. Table 2 summarizes the six pay grades in Table 2 into “junior” and “senior” grades. Recruiting and retention policies implemented 14 years ago have depleted inventories in many officer communities in the mid-to senior-grades. The accession of officers well in excess of requirements in 1999 has negatively unbalanced the officer inventory at the junior to mid-grade level in 2003. Events that impacted officer availability and progression between 1991 and 2004 are listed in Appendix E. The following quote by Admiral Oliver, DCNP, to the Senate Armed Services Subcommittee on Personnel in March 1999 publicly acknowledges the strain that occurred at that time:

Designator-Community/ Pay grade		O-1	O-2	O-3	O-4	O-5	O-6	Community
111X	Auth	0	1002	1827	1368	1049	530	5776
(SWO)	Inv	55	1370	2283	1057	916	469	6150
		N/A	36.73%	24.96%	22.73%	12.68%	11.51%	6.48%
			Excess	Excess	Shortage	Shortage	Shortage	Excess
112X	Auth	0	271	985	776	507	286	2825
(SUB)	Inv	0	238	917	563	438	279	2435
		N/A	12.18%	6.90%	27.45%	13.61%	2.45%	13.81%
			Shortage	Shortage	Shortage	Shortage	Shortage	Shortage
131X	Auth	253	1428	3156	1342	862	302	7343
(PILOT)	Inv	107	1071	2889	1530	1023	392	7012
		57.70%	25.0%	8.46%	14.01%	18.68%	29.80%	4.51%
		Shortage	Shortage	Shortage	Excess	Excess	Excess	Shortage
132X	Auth	183	652	1632	721	537	269	3994
(NFO)	Inv	113	511	1242	872	686	252	3676
		38.25%	21.62%	23.9%		21.72%	6.75%	7.96%
		Shortage	Shortage	Shortage	Excess	Excess	Excess	Shortage

Table 2. FY 2003 URL Warfare Qualified Billet Authorization to Inventory
(Does not include training designators)
From: Appendix C

Officer retention is key to maintaining the Navy's steady-state force structure. While retention in the Restricted Line (RL) and Staff Corps is generally satisfactory, retention in the heart of the officer corps, our aviators, submariners, and surface and special warfare officers, must improve to meet officer-manning requirements. It is critical that retention improve in these Unrestricted Line (URL) communities to maintain readiness and adequately operate our ships, submarines, and aircraft in the coming years.

Poor officer retention is felt most keenly at the senior O-3 and O-4 levels, our lieutenants and lieutenant commanders. Several factors contribute to the junior officer retention problems. With the change in the overall mission of the Navy from a specific Cold War threat to a less well-defined program of peacetime engagement and contingency operations, it becomes harder to justify to these young people the extended periods of time away from home and the resulting family separation. The erosion of pay and benefits, coupled with the lure of a strong economy with excellent opportunities for educated professionals and a perception of enhanced quality of life in the civilian sector, often provides the final push in a junior officer's retention decision.¹

¹ Statement of Vice Admiral D. T. Oliver, U.S. Navy Chief of Naval Personnel and Deputy Chief of Naval Operations (Manpower & Personnel) before the Senate Armed Services Committee Subcommittee on Personnel, 24 March 1999.

Designators	Category	Pay Grades	
Community		Junior	Senior
		01 through 03	04 through 06
111X	Billets	2829	2947
(SWO)	Inventory	3708	2442
		31.07% Excess	17.14% Shortage
112X	Billets	1256	1569
(SUB)	Inventory	1155	1280
		8.04% Shortage	18.42% Shortage
131X	Billets	4837	2506
(PILOT)	Inventory	4067	2945
		15.92% Shortage	17.52% Excess
132X	Billets	2467	1527
(NFO)	Inventory	1866	1810
		24.36% Shortage	18.53% Excess

Table 3. FY 2003 Warfare Qualified Billets Compared to Inventory in the URL
From: Appendix C

C. CURRENT END-STRENGTH ISSUES IN 2003–2005

Navy end-strength has come full circle since the drawdown during the beginning of the 1990s. Current policy is to operate below authorized end strength and to employ vigorous retention practices. These policies include restricting redesignation, continuation of officers who had failed to select for promotion twice, retaining warfare attrites, engaging in aggressive accessions (since 1999), and retaining mid-and senior- grade officers even when billet shortages exist. Commencing in 2003, changes in policy allowed senior officers to retire with two vice three years of time-in-grade. In FY 2004, the Navy announced a Force-Shaping initiative that involuntarily separated 433 officers. The Navy's FY 2005 budget request recommends eliminating another 738 officer billets. These policies have already affected the FY 2004 accession plan. The FY 2004 OPA projected 491 lateral transfers to fill shortages in the RL and Staff Communities. Table 4

contains RL and select Staff community inventory excesses or shortfalls by officer inventory and grade. It shows overages at the O-1 and O-2 grades due to strong accessions and shortages at the O-3 through O-6 pay grades due to draw down policies. Table 5 shows the 41 training attrites who transferred out in FY 2004 and the gaining community. If the billet requirements in Table 4 are to remain valid, more redesignations will be required to meet inventory demands. Figure 2 shows the billet authorizations to inventory for the RL by pay grade and visually shows the excess inventory at junior grades and shortages at senior grades.

Pay Grade	Inventory Authorized Over or Under	Inventory Delta	Inventory Status
O-1	27.99%	180	Excess
O-2	89.23%	555	Excess
O-3	(21.24%)	659	Shortage
O-4	(11.00%)	282	Shortage
O-5	(4.13%)	72	Shortage
O-6	(12.53%)	90	Shortage

Table 4. FY 2003 Total RL and Select Staff Overages and Shortages by Pay Grade
From: Appendix C

Table 5.

Community	Number	Remarks
IP	5	Growing to steady state
CRYPT	11	High demand
INTEL	6	High demand
PAO	2	No remarks
METOC	5	No remarks
SUPPLY	12	No remarks
Total	41	

Table 6. Warfare Training Attrites Programmed in FY 2004 Accessions Plan by Gaining Community
From: Appendix C

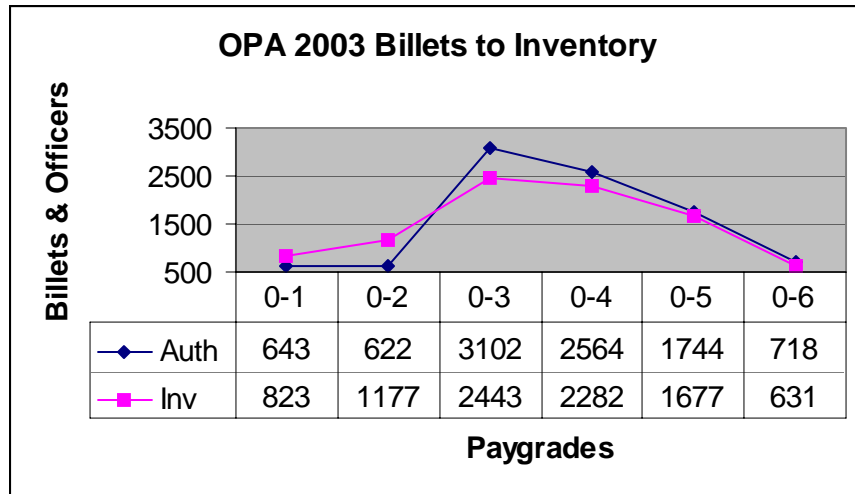


Figure 2. FY 2003 RL OPA Billets to Inventory
From: Appendix C

General Aviation Officers (non-warfare qualified) were most affected by the Force-Shaping initiative in FY 2004. They suddenly became a quasi-unauthorized community. This group did not augment into the Regular Navy because most had not attained a warfare qualification. They became the prime targets for IRAD. The only exceptions were General Aviation (130X) officers who had previously qualified as a pilot (131X) or NFO (132X). The high number of Surface Warfare accessions who were warfare qualified and desired redesignation at the junior YGs could meet most O-2 pay grade vacancies in the RL and select Staff communities.

In December 2003, a memorandum from Chief of Naval Personnel (CNP) authorized the discharge or release of probationary officers to meet budgetary and force size constraints. 418 officers were to be released by June 2004, and officers who did not meet their community's qualification criteria were to be released in November 2004 (FY 2005). Table 6 shows the number of Officers who were identified for the first round of IRAD by community. Each officer could request an exemption and cases were reviewed by individual Officer Community Managers (OCMs). Most requests to be retained were denied. To approve an exemption and retain, the officer had to possess special attributes and their retention could not cause the community to exceed OPA.

Community	Number of Officers notified for separation	Exemption Denied
Aviation	303	285
Surface Warfare	97	83
Submarine	21	20
JAG	7	6
Medical Corps	4	1*
Nurse Corps	1	4*
Total	433	399

Table 7. FY2004 Officer Separations by Community²

In February 2004, ADM Townes, Deputy Chief of Naval Personnel (DCNP) announced a Force-Shaping initiative, which would continue through 2005, which will impact the supply of officers available for redesignation:

This month's issue of *LINK-Perspective* features several ongoing "force shaping" efforts, the Chief of Naval Personnel's initiative to move to a smaller force, but with the right skill and experience mix. I am certain you are now aware of some of these initiatives: changes in the high year tenure policies; Perform to Serve, and most recently, the involuntary release of active duty probationary officers or IRAD. The IRAD program will separate approximately 400 probationary junior officers over the next few months to better align officer end strength with budget constraints and force structure. These officers, all with less than five years of commissioned service, did not achieve critical community qualifications or certifications. We expect to identify additional IRAD actions throughout the rest of FY04 and into FY05. As we complete the process, it is important to remember the necessity of this tool. The Navy is becoming more competitive and will continue to become a more efficient, less manpower-intensive and surge-ready force. Individual performance in that force will be the key to career development. Our mission here at NPC remains getting the right person with the right skills to the right ship or squadron when it needs them. Your mission is to maintain the highest level of qualifications and professional standards, so you are that "right" person in our present and future Navy.³

² *Cheated and Betrayed*, David Brown, Navy Times, Dec. 22, 2003, p. 15, *Not Much Hope for Those Appealing Separations*, David Brown, Navy Times, Feb. 16, 2004, p. 17

³ *LINK-Perspective*, RADM John W. Townes III, Navy Personnel Command, Jan-Apr 2004, Ed. VI, p. 3; <http://www.bupers.navy.mil/periodicals/link-perspective/Link-Perspective.htm>, 10 February 2004

Table 7 shows officer accession projections for FY 2001 to FY 2009. It shows an immediate 8% drop in accessions from the three primary commissioning sources between FY 2003 and FY 2004, and a 14% between FY 2001 through FY 2009. Total officer accessions from all sources, however, will drop 4% between FY 2003 and FY 2004 and then drop 6% between FY 2003 and FY 2005.

Table 8.	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09
USNA	778	808	816	826	818	822	840	840	853
NROTC	887	846	909	855	870	870	890	840	853
OCS	1221	1240	1007	833	875	599	521	650	650
Total Accessions for 3 Main Sources	2886	2894	2732	2514	2563	2291	2251	2330	2356
Delta		+8	-162	-218	+49	-272	40	+79	+26
Total Officer Accessions From all Sources	5059	4809	4482	4307	4200	4200	4200	4200	4200

Table 9. Officer Accession Projections from FY2001 to FY2009
From: Appendix C

D. OFFICER DEMAND

The FY 2004 Accession Plan was based on initial accession requirements for the URL Communities, which is shown in Table 8. Table 8 shows that the supply from the main commissioning sources could meet the entire URL, RL and select Staff requirements under ideal conditions.

FY 2004 Warfare Training Requirements	Aviation	SWO	Submarines	SPECOPS & WAR
		5.45 officers per battle force ship (130 ships)	5.25 officers per sub (86 subs w/ Blue& Gold crews)	
2386	1136	708	450	92

Table 10. FY2004 URL Accession Requirements
From: Appendix C

Lateral transfers are used to fill specific RL and Staff Corps community vacancies. The gaining community seeks officers who have the attributes displayed in Appendix F. Requirements are based on the upcoming FY OPA, but cannot exceed billets authorized, which is spread across pay grades and YGs. OCMs must consider many variables prior to projecting their need for lateral transfers. Also, demand can become distorted due to a natural but undesired mix of pay grades in the same Length of Service (LOS) cell. For example, Lieutenant's (LT) can be in the Lieutenant Commanders (LCDR) years of service cells due to Failure of Selection (FOS) for promotion and continuation. Other problems are created by a reduction in community billets or sudden surge in officer inventory. These problems can be addressed by reducing accessions, but this practice could lead to mismatches between pay grade and billet.

A Community Manager might refrain from participating in the LT&R process if new accessions were too high. Very high retention also reduces promotion opportunities and result in career dissatisfaction. Denying continuation to officers at pay grades LT and LCDR and Selection for Early Retirement Board (SERB) for Commanders (CDRs) and Captains (CAPTs) could remedy this situation. This process creates billet vacancies and reopens promotions, but may have other negative effects.⁴

E. REDESIGNATION AND LATERAL TRANSFER PROCESSES

Officers redesignate by two means: (a) by Board Action (according to SECNAVINST 1210.5A, using Article 1212-010), which results in final decision with N1; (b) Without Board Action (WOBA), in which case the final action rests with

PERS-4. This section discusses both of these methods.

1. Board Action

LT&R Boards are announced by NAVADMIN Message. The applicant's Commanding Officer (CO) endorsement is mandatory and is a critical component of the application process and package. An officer may apply before or after their annual or

⁴ This promotion stagnation event recently occurred in the FSO Community in December 1999 due to poor career progression planning. The only solution to stagnation was to redesignate the community from RL Special Duty to URL in order to open promotion flows under the more flexible URL process.

semiannual fitness report. For LTjgs, the semiannual reports occur in February and August, for LT's the annual report occurs in January. Depending on the command climate, an officer may use caution when choosing to announce their intention to transfer so as to remain competitive among their peers. An intention to leave a community is sometimes perceived negatively by the reporting senior and results in a lower recommendation or transfer fitness report (FITREP). The length and content of the CO's endorsement may carry substantial weight with the board.

A complete, endorsed application and any adjoining correspondence can provide amplifying information that might not be contained in an official record. Prior to endorsing an applicant, commands ensure that an officer is fully qualified for the primary and secondary community according to Article 1212-010. Once the application is received by PERS-801G a database is created for the upcoming board and the applications are forwarded to the losing detailer in PERS-4. The detailer checks for any service obligations that would prevent an officer's release.⁵ Once the losing detailer has screened the application it is forwarded to the gaining OCM for review, after which it is returned to PERS-801G pending commencement of the board.

The President of the Board convenes the board and the Precept and Requirements Letter are presented to the Board Members. A minimum of two representatives per community and one URL officer reviews each application. The review and selection process can be more stringent than a Statutory Promotion Board because of the limited number of quotas for redesignation. This high degree of selectivity is important to the specialized communities, which desire a high degree of professionalism. Each gaining community attempts to select only the most qualified applicants.

Once the board members have made their selections, those chosen are matched to the gaining community's available quotas and against other community selects. Selection activity includes priority communities designated in the Requirements Letter. The selects are submitted to the Board President to check for non-violation of the Requirements

Letter and initial acceptance. The Board President presents those selected to DCNP for final approval. A NAVADMIN Message is released 30 days later with approved Selectees for redesignations with guidance to contact PERS-4 for follow-on orders or PERS-8 if the member declines the selection. Officers accepted for transfer between line and Staff Corps Communities require U.S. Senate approval according to Title 10 U.S.C.

2. Redesignations and Transfers Without Board Action (WOBA)

Without Board Action is an administrative process, that allows PERS-4 to redesignate or transfer an individual immediately. A specific detailer within PERS-4 can redesignate an officer who fails to successfully complete a community's training program. PERS-451, Distribution Management and Procedures Branch, and Overseas Screening Policies, is responsible for managing training failures officers who are redesignated or transferred. The WOBA process is depicted in Figure 2.

Additionally, the following sub paragraphs from MILSPERMAN Article 1212-010 contain other categories that do not require selection board action:

- a. An Officer that has achieved community qualification.
- b. Designator changes as a result of student officers (19XX) having completed professional requirements for appointments as a prospective of Doctor, Dentist, Nurse in the Medical Corps or Judge Advocate General Communities.
- c. Designator changes as a result of NAVPERSCOM (PERS-4) or medical board action NAVPERS 1212/1, Cover Sheet for Individual Request for Officer Designator Change, such as revocation or restoration of status.
- d. Designator changes as a result of disenrollment from entry-level training programs. Officers who are disenrolled from entry-level training programs will be considered on a case-by-case basis for assignment per their preference as indicated in the message report of disenrollment, consistent with current service needs. Officers disenrolled from unrestricted-line-entry training programs shall normally be reassigned in the unrestricted line. Exceptions may be made when it is determined that the needs of the Navy may be met in the restricted line or a staff corps. Officers who are disenrolled from entry-level training programs may be released from active duty dependent on the needs of the Navy.

⁵ For example, an aviator who has less than six to eight years after earning their wings, a Surface Officer who has less than 18 months after completing the FCO and/or CICO Schools for the Aegis System. Also, a Surface Officer must not have accepted Surface Warfare Officer Continuation Pay (SWOCP), or have orders to or attended DH school (MILPERSMAN 1321-100)

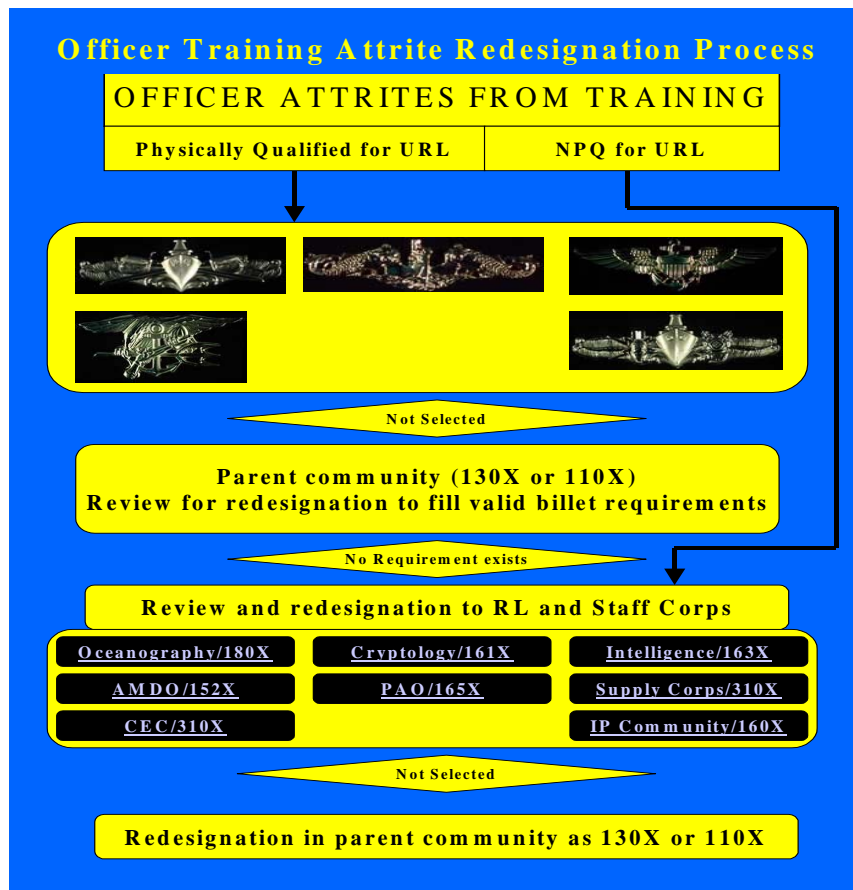


Figure 3. Process for Redesignating Training Attrites Without Board Action
From: PERS-451 Website (10 February 2004)

- e. Officers designated for participation in the Engineering Duty Officer (ED) Option Program or the Oceanography Option Program at the time of initial appointment. A letter request must be sent via the commanding officer to the NAVPERSCOM (PERS-455 or PERS-449 as appropriate) indicating completion of the specified requirements of the program, including submarine warfare qualification and requesting designator change from 11XX to 146X or 180X as appropriate.
- f. Officers desiring a change of designator within the unrestricted line. Applications are required and should be sent to the NAVPERSCOM (PERS-4) via their commanding officer in proper letterform.
- g. Officers redesignated as trainees in an unrestricted line warfare designator.⁶

⁶ MILSPERMAN Article 1212-010, 22 August 2002

The WOBA redesignation process is not publicly announced. Only a review of the Navy's OMF can determine how many training attrite officers were redesignated into the RL and Staff Corps via the WOBA process. The WOBA redesignation occurs at random periods and selection of a training attrite officer would count towards the gaining community's inventory in OPA.

F. METRICS FOR REDESIGNATION AND TRANSFER SELECTION

1. Electronic Military Personnel Record System (EMPRS)

Board Members are only allowed to use the applicant's professional record to select applicants for transfer or redesignation through PERS-801G. The Navy Personnel Command's information management system, EMPRS, contains the officers Fitness Reports, Performance Summary Record (PSR), Officer Summary Record (OSR), Official Navy Documentation, and the officer's personal correspondence.⁷

2. Fitness Report (FITREP)

The FITREP system (governed by BUPERSINST 1610.10), is the only official document that describes an officer's performance for a specified period of time. Officers in the same competitive category are ranked against each other in a performance award system in which only a few can receive the highest promotion recommendation. The day an officer is commissioned into the Navy until she/she is separated, their performance is observed and documented. This recorded information is the most important documentation put before any Selection Board. All boards; whether Administrative—such as the Lateral Transfer and Redesignation, or Augmentation Boards-- adhere to procedures used by a Statutory Board. Statutory Boards, such as a Grade Promotion Board, and are governed by U.S.C. Title 10.

The current format of the Fitness Report was implemented in January 1996. Only slight modifications have been made to junior officer reporting requirements since. Additionally, Table 9 identifies how many reports an officer receives which are reflected in the PSR, and Table 10, shows the timing of Fitness Reports by grade.

⁷ Officially recorded sensitive punitive or medical information, if it exists, would be found in Folder 17 in the EMPRS computer system, previously known as a Fiche Five when microfiche was used as the storage medium for Navy service records.

Projected Number of Fitness Reports	
Rank	Month of Report
ENS	3*
LTJG	4*
LT	2*
* In addition to these periodic reports, change of reporting senior and member's transfer from previous command may trigger a fitness report.	

Table 11. Expected Number of FITREPS
From: BUPERSINST 1610.10

Periodicity of Fitness Reports	
Rank	Month of Report
ENS	May / November
LTJG	February / August
LT	January

Table 12. Required Fitness Reports for Periodicity and Grade
From: BUPERSINST 1610.10

In evaluating a LT&R applicant, the Board Members determine whether the applicant still has an opportunity for a viable Naval career. Substandard performance characteristics would be documented on a FITREP and in Folder 17. Folder 17 documentation includes non-judicial punishment information, all official punitive letters (if any), a promotion recommendation of Significant Problems or Progressing, (which are considered derogatory and career ending) vice Early or Must Promote, vice, an indicator of failure to meet not within the Navy's Physical Fitness Assessment standards. Also, the member must not be in a FOS status. Once "nonviable" applicants are removed, the Board Members review the records for competitive (and extremely competitive) applicants that best match fully qualified criteria set forth by the community that is evaluating the applicant.

3. Performance Summary Report (PSR)

Board Members review the PSR which contains the member's rank, command(s) assigned, reporting senior, rank of reporting senior, report period, individual trait average, cumulative trait summary, and total average summary, which shows the reporting seniors' unique grading scale. Total average summary also compares the recommendation for the individual officer to the reporting senior's group average. PSR

provides an “objective” condensed view of the applicant when compared to members within the same competitive category, the same rank, and within the same review period receiving positive trait averages, as compared to the senior’s overall average, are viewed favorably. Growth in a promotion recommendations and the individual’s trait average in comparison to the reporting senior’s summary average are also very important. Appendix G shows an example of an officer’s PSR and OSR.

4. Officer Summary Record (OSR)

The second document evaluated by the LT&R Board is the OSR, (also shown in Appendix G). Among the data elements are undergraduate institution attended, degree awarded, subspecialty codes (SSP), Additional Qualification Designations (AQDs), and personal awards received, such as a Navy Achievement Medal or Navy Commendation Medal.

A junior Surface Warfare Officer can attain additional significant career milestones beyond warfare qualification. These include: Engineering Officer of the Watch (EOOW) and Tactical Action Officer (TAO). Each of these qualifications has a specific AQD. Command Duty Officer (CDO), which does not have an AQD, is considered a significant leadership milestone because of the level of responsibility involved. This milestone would be reflected in the FITREP narrative.

Normally, it would be highly unlikely for a first or second tour Surface Division Officer to have any additional subspecialty codes or AQDs that are related to the specialization of the RL or Staff Corps. A member must have 18 months of experience in a billet prior to being awarded a significant experience subspecialty code (“S”) or an AQD with the exception of professional certifications or advanced degrees. Relevant occupational experience coupled with serving in a primary billet in the Engineering or Communication Departments could enhance an applicant’s opportunity for selection to the EDO or IP Communities. Applicants who serve collateral duties, such as command PAO or Intelligence Officer, may improve their chances for selection to the PAO or Intelligence Communities. Serving in an RL type shore duty billet, or having a reporting senior from the perspective community also could enhance a member’s opportunity for selection to the requested community.

The qualified Surface Warfare Officer (111X) who has been commissioned in the spring has approximately five opportunities to submit an application to the LT&R Board. Appendix H shows the career points when a Surface Warfare Officer can apply for lateral transfer. Only two submissions can occur while serving in a shore billet and only if the member has completed two continuous sea tours.

For over 30 years newly commissioned Surface Warfare Officers (116X) went through six months of training prior to reporting to their first ship. In 2003, the Surface Community reduced the Surface Warfare Training qualification process from 27 to 15 months and eliminated the traditional Surface Warfare Indoctrination Course at Surface Warfare Officer School (SWOS). After completing the Surface Warfare Personnel Qualification Standard requirements aboard ship, the seasoned 116X then attends three weeks of Surface Warfare Officer School.

The flow points for Surface Warfare qualification are: Basic Damage Control, SWO Engineering, CIC Watch Officer, and Officer of the Deck Underway. After achieving these qualifications the 116X must then obtain their Commanding Officer's endorsement to attend SWOS. After SWOS the Surface Warfare Officer (116X) returns to their command and then becomes warfare qualified and is designated Surface Warfare Officer (111X). Once an officer is promoted to LTJG and is warfare qualified they can submit an application for redesignation to another community.

G. INTERNAL OFFICER LABOR MARKET

The organizational relationship shown in Figure 3 identifies the major participants in the LT&R process. OCMs forward the following data to N131D: gaining and losing criteria based on YG and training; quotas on the number of officers allowed to redesignate from the community; gaining community selection requirements; and pay grades and specific YG requirements and additional requirements not contained in MILSPERMAN Article 1212-010, such as required or desired warfare qualifications. N131D drafts the requirements letter and the NAVADMIN Message, released via N1, requesting applications for redesignation to be submitted to PERS-801G. The applications are forwarded to the potential losing detailer who verifies whether the applicant is eligible for redesignation and then passes it to the potential gaining OCM.

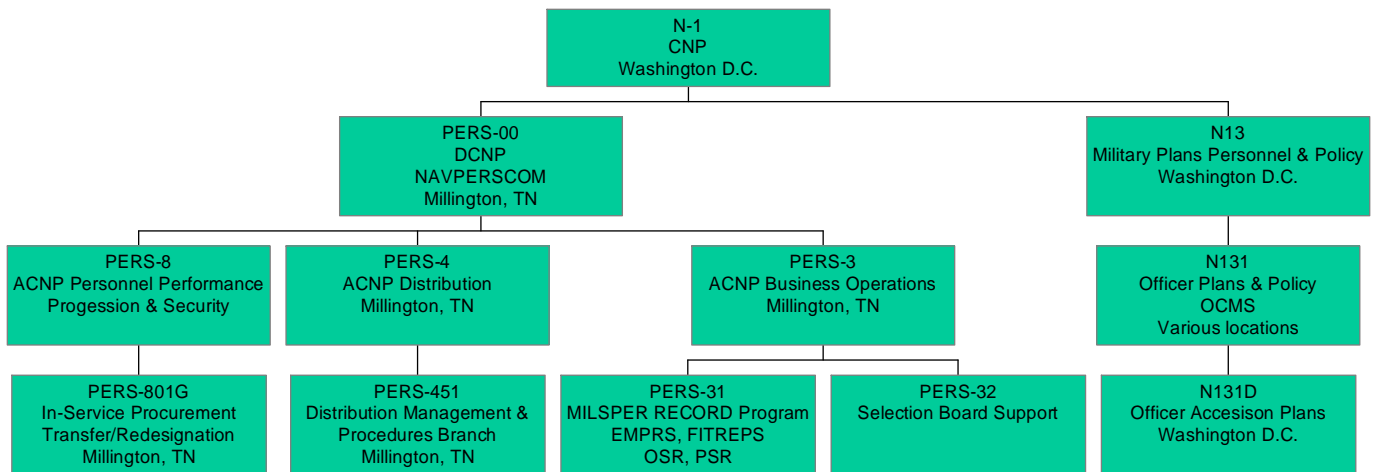


Figure 4. Organizational Relationship of N1 and PERS Codes

Once the OCMs have reviewed the application package, all applicant material is then reviewed by the Selection Board Assistant Recorders and by two community-specific and one URL board members. Assistant Recorders annotate objective facts while Board Members note both objective and subjective judgments on each applicant. Board Members for a particular community may select up to the quota, based on the number of qualified applications. Final approval rests with DCNP. A LT&R process history from 1996 to 2003 is contained in Appendix I.

H. ROLE OF THE “LOSING” COMMUNITY’S OCM

The number of officers who transferred out between 1996 and 2003 is summarized in Table 11. It shows that 47% of all transfers came from the Surface Community and 30.5% from “other” (which consists of FSO, Supply, and non-warfare qualified officers). The other URL communities provided the remaining 22% of redesignations.

OCMs use offers of special training, tour lengths, and locations, and bonuses as retention incentives. The OCM's goal is to retain a sufficient number of qualified officers for selection to Department Head (DH) billets. For the Surface Warfare and Submarine Communities, DH candidates are senior LTs who will be in zone for LCDR during their DH tour. In aviation DH candidates are junior LCDRs. This does not mean that a SWO or Submariner cannot separate from the Navy after their obligation has expired; however,

if separation is expected the officer will not be allowed to redesignate to another community.

High retention and large initial accessions may cause an OCM to encourage officers to seek redesignation.⁸

I. ROLE OF THE “GAINING” COMMUNITY’S OCM

Prior to the 1990s, most RL and Staff communities maintained a stable inventory of officers. This stability was shattered with the introduction of the FSO Community in 1995, and the HR and IP Communities in 2001, which created shocks to the system in the form of increased demand for junior officers. The billet base requires specific pay grades and identifies requirements (quotas) for lateral transfers in specific YGs. Table 12 shows YG requirements for the AEDO, IP, INTEL, OCEAN and SUPPLY Communities for the November 2003 LT&R Board. Some communities are very exact about selecting transfers from certain YGs. This is so that promotion opportunity accords with DOPMA guidelines. Others are not concerned about YG. Rather their selection criteria are based on pay grade. Table 13 shows that of 285 quotas, 136 were filled, roughly 48% for the November 2003 LT&R Board.

Designator/Community		Number of Transfers	Percent of Transfers
111X	(SWO)	1072	47.02%
OTHER		696	30.52%
132X	(NFO)	211	9.25%
112X	(SUB)	170	7.46%
131X	(PILOT)	131	5.75%
<i>(i) Total</i>		2280	100.00%

Table 13. Officers who Transferred Out by Community, 1996-2003

From: Appendix J

Note: Other = FSO, Supply, and Non-warfare qualified Officers

⁸ For example, in November 2003 the Supply Corps OCM announced that the community exceeded OPA by 84 junior officers. The OCM encouraged LTJGs to transfer out and the Supply Corps OCM placed a moratorium on lateral transfers into the community at the junior officer grades.⁸

Community/ Designator	YG Requirements								
AEDO 151X	YG97	YG96	YG95	YG94	YG93	YG92	YG91	YG90	YG89 & Senior
	2	0	5	5	5	5	5	1	0
IP 160X	YG 02-03	YG 00-01	YG 97-99	YG 94-96	YG 89-93	YG 84-88	YG 79-83		
	1	12	25	12	23	4	1		
INTEL 163X	YG 97-99	YG 92-94							
	LTs	LCDRs							
OCEAN 180X	YG 96 > Junior								
	LTs								
SUPPLY 310X	YG 01	YG 96-90							
	1	6							

Table 14. LT&R Requirements by Community and YG or Grade (November 2003)
From: November 2003 Requirements Letter

Designator	120X	146X	151X	152X	160X	163X	164X	165X	180X	310X	510X
O-2 & O-3	02: 5 03: 12	80	20	10	50	23	38	6	1	7	0
O-4 & Above	04: 0 05: 4 06: 1	Yes	Yes		04: 23 05: 4 06: 1	Yes		Yes	No	Yes	0
Selects	18	27	10	7	27	23	17	6	0	1	0
Percent of Quotas filled	82%	34%	50%	70%	35%	100%	45%	100%	0%	14%	0%

Table 15. Quotas and Percentages Fills by Grade and Designator (November 2003)
From: November 2003 Requirements Letter & NAVADMIN 320/03
(10 December 2003)

Even though the receiving communities do not compete for specific individuals, they do compete for supply from each YG. In the Requirements Letter, N131 designates which specific community has first, second, and third priority. A fixed number of five selects per YG is the maximum authorized per community on the priority list. The priority list in the November 2003 Requirements Letter designated Cryptology, then Intelligence followed by the IP Community. The rest of the gaining communities must accept what supplies remain after the priorities are filled.

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III. AN ANALYSIS OF 1996-2003 LATERAL TRANSFERS

A. OVERVIEW

The trends in transfers and redesignations between 1996 and 2003 are shown in Figure 5. Transfers fell between 1996 and 1999, and then rose between 1999 and 2003, reaching a peak in 2003. The average number of selects per year was 305. The fall LT&R boards averaged 169 selects, while the spring LT&R boards averaged 136 selects. HR, EDO, AEDO, AMDO, IP, PAO, and OCEAN rely heavily on the LT&R process for initial inventory gains at the O-2 and O-3 pay grades. Table 14 shows the percentage of transfers by gaining community.

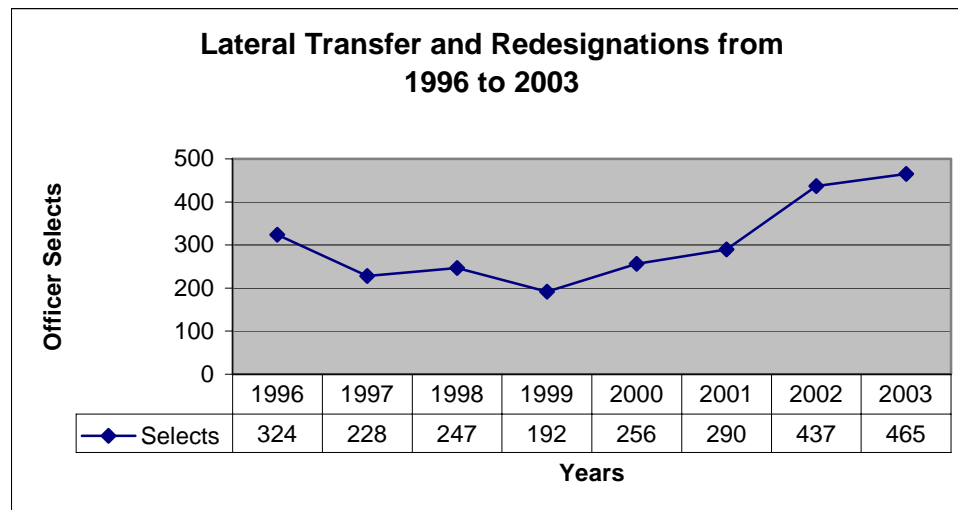


Figure 5. Lateral Transfers and Redesignations Between 1996 and 2003
From: Appendix J

Table 16.

Designator/Community	Number of Transfers	Percentage of Total Transfers
144X (EDO)	471	20.66%
170X (FSO)*	286	12.54%
151X (AEDO)	242	10.61%
163X (INTEL)	215	9.43%
120X (HR) *	187	8.20%
160X (IP) *	170	7.46%
161X (CRYPT)	166	7.28%
510X (CEC)	146	6.40%
310X (SUPPLY) *	105	4.61%
165X (PAO)	102	4.47%
152X (AMDO)	91	3.99%
180X (OCEAN)	73	3.20%
230X (MSC)	26	1.15%
Total	2280	100.00%

Table 17. Percentage of Transfers by Gaining Community (1996-2003)

From: Appendix J

* Entire 1996-2003 time period not covered

B. OFFICER END-STRENGTH AND LATERAL TRANSFERS

The following officer community data was provided for FY 1992-2003 by N131. In the following sections, NAVADMINS were used to construct the number of selectees for redesignation and transfer between FY 1996 and FY 2003. The data presents each community's inventory and selection requirements. The data include an end-strength table, contained in Appendix K; redesignation and transfer selections by number and year, contained in Appendix J; and the FY 2003 OPA authorized billet-to-officer inventory graph, contained in Appendix B. This data allows for a comprehensive analysis of each communities health during and after the 1990s drawdown.

1. Unrestricted Line OPA

Of the three main communities in the URL that have also over accessed, only the Surface Warfare Community can provide junior officers for redesignation. The submarine force does not allow junior officers to redesignate and the aviation community can only provide officers at mid-grades.

a) *Surface Warfare (116X/111X)*

The Surface Warfare community, the second largest in the URL (31%), is the dominant supplier of warfare qualified junior officers. Surface Warfare has averaged

121 transferees per year between FY 1996 and FY 2003. The available supply of officers significantly diminishes each YG approaches the DH milestone (7 YCS). LTJG and junior LTs are allowed to redesignate, but after four years of service the opportunity is tightly controlled due to shortfalls in higher grades. The Surface Warfare Officer Continuation Pay (SWOCP) and Surface Warfare Officer Career Status Bonus Pay (SWOCSB) are used to increase retention for DH and post-DH tours. The Surface Warfare OCM carefully allots the number of SWOs authorized to redesignate. The number of SWOs (by YG) that were authorized to transfer to another community at the November 2003 LT&R board are shown in Table 15.

Officer Inventory decisions made during the past decade are intertwined with inventory decisions that have been made through 2003. The following statement by Vice Admiral Oliver, DCNP, before the Senate Armed Services Subcommittee on Personnel in March 1999, highlights the results of an aggressive downsizing in the early 1990s. The policy led to poor retention of SWOs in the mid-1990s and was followed by the aggressive retention and recruiting policies that have shaped the current officer inventory.

Despite a large reduction in the number of ships since the Cold War “high-water mark” in the mid-1980s, the Surface Warfare Officer (SWO) community is experiencing difficulty retaining enough senior lieutenants to meet department head requirements. Surface Warfare has the lowest retention among the Navy’s Unrestricted Line (URL) communities. The two primary dissatisfies driving SWOs to leave the Navy or the SWO community are lack of quality personal time (while in homeport) and family separation. In light of these concerns, the robust economy provides attractive and lucrative alternative employment opportunities. SWOs are also a prime source of warfare-qualified

YG	02	01	00	99	98	97 & Earlier
Authorized	40	40	20	15	5	2

Table 18. SWOs Authorized to Redesignate Out by YG (November 2003)
From: November 2003 Requirements Letter

officers to fill many Restricted Line and Staff Corps community billets. Laterally transferring to other communities provides the opportunity to remain in the Navy and pursue a professional interest and enhanced (real or perceived) quality of life; yet experience no loss of benefits.

In FY97 only 23 percent of officers that started in Surface Warfare, attended Department Head (DH) School. In FY98, retention to DH School was 24 percent, and it is projected to be only 24 percent in FY99. This is 14-percentage points below required 38 percent steady-state retention. There are several reasons for this shortfall. Since the 1980s, the pool of division officers has decreased by 43 percent, while the need for DHs has decreased by only 23 percent. This change was driven by the replacement of older manpower-intensive ships with more modern, capable, high-tech ships, which are less manpower-intensive. As the pool of division officers decreased, retention to DH needed to increase, but it actually declined. In the '80s, retention to DH averaged 32 percent; during the height of the draw down it fell to a low of 17 percent; and indications are that retention to DH is now leveling off at around 24 percent. Required retention for the next five years is 34-38 percent (depending upon Year Group (YG) size). This DH retention shortfall is forcing extensions of 8-12 months on sea duty for officers in DH tours, further negatively impacting community retention and morale. It is also creating an inventory shortfall of Defense Officer Personnel Management Act (DOPMA) Control Grades (O-4 through O-6), particularly at the Lieutenant Commander (O-4) level.

The Surface Warfare Community receives only a few redesignations into the community and most of these are from the LDO community. The number of redesignations is insignificant to the community's strength, therefore initial accessions must meet future needs. The number of SWO accessions peaked in 2001, and have slowly decreased since as shown in Table 16. The accessions in column 6 show those who entered as O-3 because they failed to qualify in a different community. The number of O-3 116X non-qualifiers was reduced by half in 1999 (44), as compared to 1992 (94) but rose again to 100 in 2003.

Year/ Pay grade	O-1 116X	O-1 111X	O-2 116X	O-2 111X	O-3 116X	O-3 111X	O-4 111X	O-5 111X	O-6 111X
1992	1,739	27	1,094	1,122	94	3,348	1,702	1,113	528
1993	1,457	26	911	980	97	3,164	1,639	1,025	559
1994	1,410	25	788	848	79	2,836	1,336	979	512
1995	1,520	43	766	759	91	2,615	1,348	939	492
1996	1,636	33	622	827	93	2,483	1,277	950	470
1997	1,535	34	627	934	77	2,500	1,191	919	485
1998	1,460	45	598	1,007	52	2,333	1,149	994	488
1999	1,580	50	471	1,000	44	2,138	1,054	1,036	476
2000	1,826	35	461	1,038	99	2,098	1,025	977	513
2001	1,834	51	512	1,133	94	2,070	1,042	953	481
2002	1,763	61	526	1,283	90	2,124	1,038	919	475
2003	1,710	55	513	1,370	100	2,283	1,057	916	469

Table 19. Surface Warfare Officer Inventory by Grade

From: Appendices C and K

The number of qualified O-3 111X reached its lowest level in 2001 (2,070), which is a 33% reduction compared to 1992 (3,348). Table 17 shows that the ratio of commissioned officers to ships dropped to 3.58 in FY 1993 then gradually rose to 6.85 in FY 2002 (the highest level). The production of qualified officers is directly related to the number of ships in the fleet, which affects the supply of officers to the LT&R process.

The Surface Warfare Community currently requires between 250 and 275 officers per YG to accept DH tours and has been challenged to meet this requirement. The second panel (lower table) of Figure 6, SWO Pinpoint Retention Tracking, contains five categories showing SWO inventory level percentages, which are coded: Good, Adequate, or Inadequate. This coding method is how the SWO OCM identifies YG quotas restrictions for redesignation. The “End of FY03 Inventory” has YG 1988 through YG 1994 —coded “Inadequate Inventory Level.” This means that the OCM will have a difficult time filling authorized community billets. The row below identifies the FY03 inventory is at the “Required Inventory” level but allows no flexibility in assignments. YG 1995 through 2002 inventories are coded as “Good Inventory Level” and allows flexibility for redesignation. YG 1996 has now entered the DH tour window and has an acceptable inventory which means redesignation opportunities are restricted.

SWO Pinpoint Retention Tracking

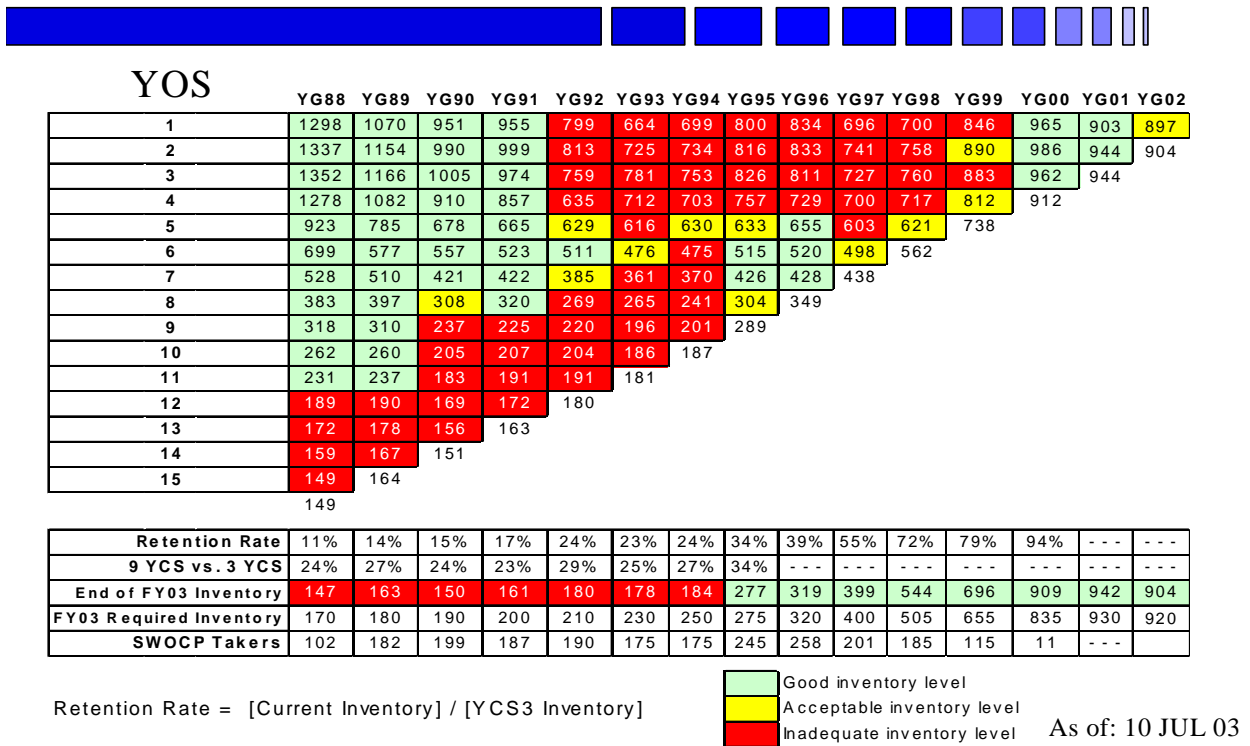


Figure 6. Surface Warfare Retention for Department Head
From: Surface Warfare OCM (10 March 2004)

The SWO OCM uses the inventory at 9 YCS vs. 3 YCS to determine if a particular YG has a health retention rate for DH tours in comparison to other years. This measures the level of health for the same cohort as it approaches the O-4 pay grade. The first panel (upper table) indicates by YOS and YG each FY what the status of a particular SWO cohort is in comparison to the requirements. Some YG transition through phases of Inadequate to Good, while earlier YGs continued to experience multiple years of inadequate inventories.

The current excess in junior officer strength, shown in Figure 7, could provide a one time supply of officers for Surface DH requirements and redesignation to compensate numerically for the multiple years of shortages above the O-4 pay grade but will take over five years to be realized.

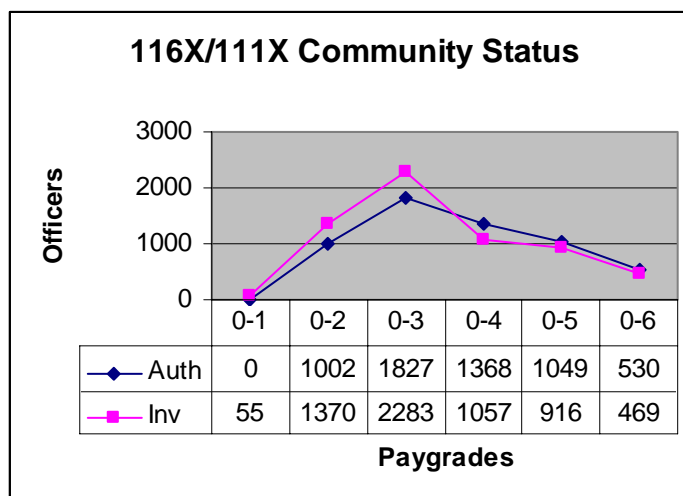


Figure 7. 111X Designator Inventory to Authorized Billets by Grade (Sept 2003)
From: Appendix C

Also, the number of post-DH SWOs that have redesignated has significantly dropped indicating that few are allowed, or are willing, to redesignate at the grade of LCDR, as shown in Table 17.

	FY91	FY92	FY93	FY94	FY95
Commissioned in YG	955	790	669	700	800
Officer to ship ratio	3.85	3.73	3.58	4.29	5.13
Number of Surface Battle-force Ships	248	212	187	163	156

Table 20.

	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04
Commissioned in YG	834	723	741	845	912	942	938	810	708#
Officer to ship ratio	5.34	4.60	5.07	5.87	6.38	6.68	6.85	6.09	5.44
Number of Surface Battle-force Ships	156	157	146	144	143	141	137	133	130

Table 21. 116X Officer Inventory vs. Ships
From: Naval Vessel Register (10 February 2004)

If the Surface Warfare Community consistently allows a sufficient number of junior officers to redesignate and the HR and IP communities reach steady state, then RL shortfalls will gradually dissipate and the community will reach a steady state. In FY 2004, the Surface Community will restrict the number of new accessions to 708 ensigns. If the community still requires between 250 and 275 officers to meet DH requirements, this means that 35% to 39% of new accessions must stay to become DHs. This percentage exceeds historical the DH retention rate of 24%.

b) Submarines Warfare (117X/112X)

The Submarine Community, the third largest URL community (14% of the URL), significantly restricts its warfare-qualified officers from redesignating until they have completed a DH tour. Table 18 shows severe restrictions on the number of Submariners by YG, authorized to be selected for redesignations at the November 2003 LT&R board. Only 170 Submarine Officers have been selected for redesignation since 1996. Most redesignation have been to the EDO (107), FSO (28) and CEC (14) communities. The new Submarine Support Incentive Pay (SSIP) has been authorized at the grade of LCDR to help retain nuclear trained officers to mitigate loses to separation and retirement.

YG	98	97	96	95	94	93 & Earlier
Restriction	0	1	0	1	0	4

Table 22. Submariners Authorized to Redesignate Out by YG (November 2003)
From: November 2003 Requirements Letter

In the same appearance before the Senate Armed Services Subcommittee on Personnel, Vice Admiral Oliver described the conditions of the Submarine Communities officer inventory and why that community came to prohibit its officers from redesignating out.

Nuclear officer accessions and retention are currently below that required to sustain the post-draw down force structure. Although adequate for the near-term due to the effects of downsizing, retention rates for both communities must improve by FY01 to meet steady-state manning requirements on nuclear aircraft carriers and submarines, which comprise nearly 50 percent of all major combatants. Inadequate retention only compounds the sacrifices incurred by those officers remaining, as demanding sea tours are lengthened to meet safety and readiness requirements.

Nuclear-trained officer accessions have been short of requirements for the past seven consecutive years. FY98 nuclear officer accessions were 19 percent below requirements. Accessions shortfalls exacerbate the retention challenge by increasing required retention and extending junior officer sea tours.⁹

The Submarine Community in the past five years has aggressively accessed new ENS to meet long-term inventory shortfalls. The number of O-1 117X accessions reached its highest in 2002 (820), which is a fifty percent increase compared to 1998 (516) as shown in Table 19. This table also shows that the number of non-qualified O-3 117X has remained a small percentage of the junior Submarine Officer population. Table 19 and Figure 8 also show that in 2003, Warfare qualified officers (112X) have been significantly increased by approximately 100 officers in the O-3, O-4 and O-5 pay grades to reduce shortages.

⁹ Ibid.

Year/ Pay grade	O-1 117X	O-1 112X	O-2 117X	O-2 112X	O-3 117X	O-3 112X	O-4 112X	O-5 112X	O-6 112X
1992	828	0	683	327	108	1,213	596	392	226
1993	726	0	630	283	78	1,287	585	373	236
1994	663	1	461	356	16	1,320	534	363	223
1995	584	0	353	378	10	1,254	499	368	232
1996	559	0	348	249	13	1,252	463	360	232
1997	524	1	306	281	26	1,172	498	339	256
1998	516	0	286	235	24	1,018	499	355	277
1999	575	0	249	243	17	962	471	387	282
2000	637	0	306	201	25	858	435	373	301
2001	765	0	350	195	28	800	467	333	280
2002	820	0	410	216	24	825	467	335	264
2003	817	0	466	238	16	917	563	438	279

Table 23. Submarine Inventory by Pay Grade
From: Appendices C and K

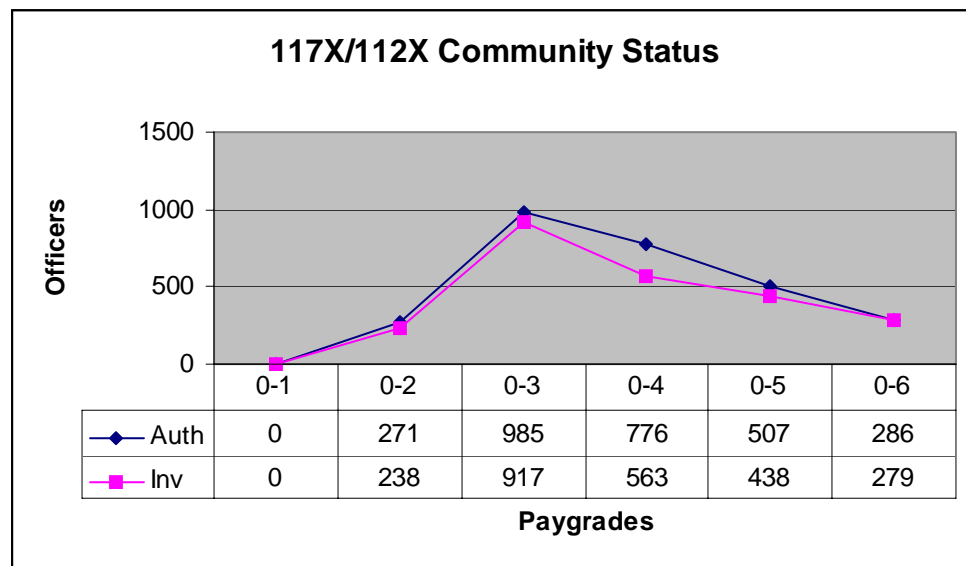


Figure 8. 112X Designator Inventory to Billets September 2003.
From: Appendix C

The number of ENSs per submarine has increased from 3.04 in FY 1992 to 5.68 in FY 2003, as shown in Table 20. This increase is the result of submarine decommissionings and recent aggressive accessions to restore community strength. Even though accessions have increased over the last five years, based on the 2003 shortage of 94 O-1s causing the community to continue redesignation restrictions.

	FY92	FY96	FY99	FY01	FY03
Ensign/Even Split	414	280	288	383	409
Ratio	3.04	2.82	3.42	5.32	5.68
Submarines	136	99	84	72	72

Table 24. Ensigns Compared to Number of Submarines
From: Appendices C and K, Jane's Fighting Ships & Naval Vessel Register
Note: Even Split divides the FY's inventory by 2 to estimate the number of officers accessed each year.

c) Aviation Warfare (13XX)

The Aviation Community represents the largest portion of URL officers. Its' student Aviators receive specialized training ranging from six months to two years prior to being designated 13XX. Once warfare qualified ("winged"), they are obligated to serve in the aviation community from six to eight years, depending on whether they are designated a Pilot or Naval Flight Officer (NFO). Most are near the LCDR promotion zone once their service obligation expires which significantly reduces their opportunity to redesignate. This due to their inability to complete a qualifying tour and competitively compete against members who have more observed performance.

Based on NAVADMIN messages between 1996 and 2003, Appendix J, a total of 2,439 officers have redesignated including URL-to-URL redesignations. The URL to RL data showed that 340 redesignations were aviation warfare qualified officers who redesignated. Over 70% (238 officers) of these aviation warfare qualified officers redesignated to either the AEDO Community or the AMDO Community. The remaining aviators redesignated to various RL and Staff communities. Further research to compare those aviation officers no longer in a flight status due to special medical conditions versus those who did not meet professional aviation milestones may be considered. Aviation OCMs numerically restrict transfer quotas based on a specific aviation community and YG as shown in Table 21.

Vice Admiral Oliver, DCNP, in his statement before the Senate Armed Services Subcommittee on Personnel in March 1999, provides background for the numeric restriction:

Overall Navy pilot retention decreased to 39 percent in FY97 and further declined to 32 percent in FY98. This trend is expected to continue for the foreseeable future, and pilot retention already falls short of the 35 percent aggregate level required to fill critical department head and flight leader positions. Naval Flight Officer retention is also declining, with aggregate retention in early 1999 at the minimally acceptable level of 38 percent. While continuation of these mid-level officers represents our greatest aviation retention challenge, there has also been an increase in resignations of more senior aviators, particularly due to intense competition from private industry.

As we approach the minimum service obligations of those aviators accessed during the downsizing environment of FY92-95, the challenge to retain high quality aviators will increase. We will continue to review the adequacy of our compensation programs and initiate effective solutions.¹⁰

(1) Naval Aviator/Pilot (139X/131X)

Pilot accession inventory (O-1 139X) has increased during the past two years but remained stable at the mid-grade (O-3 and O-4 131X) and senior grades (O-5 and O-6 131X) as shown in Table 22.

¹⁰ Statement of Vice Admiral D. T. Oliver, U.S. Navy Chief of Naval Personnel and Deputy Chief of Naval Operations (Manpower & Personnel) before the Senate Armed Services Committee Subcommittee on Personnel, 24 March 1999.

	YG 97	YG 96	YG 95	YG 94	YG 93
PILOT					
VF	4	4	3	1	1
VFA	7	1	2	1	1
VAQ	4	2	2	1	1
VS	3	11	UNLIMITED	UNLIMITED	UNLIMITED
VAW	1	0	1	1	1
VP	13	13	10	35	30
VQ(T)	6	2	1	1	2
VQ(P)	2	1	2	2	1
HS	1	1	1	2	2
HSL	1	1	1	2	2
HC	6	1	2	4	4
HM	1	1	2	2	2
NFO					
VF	4	1	4	4	4
VAW	1	0	1	1	1
VP	5	13	13	15	15
VAQ	1	1	2	2	2
VS	4	6	UNLIMITED	UNLIMITED	UNLIMITED

Table 25. Aviators Authorized to Redesignate Out by YG (November 2003)
From: November 2003 Requirements Letter

Year/ Pay grade	O-1 139X	O-1 131X	O-2 139X	O-2 131X	O-3 139X	O-3 131X	O-4 131x	O-5 131x	O-6 131x
1992	1,267	227	565	1,377	46	4,328	1,517	1,165	564
1993	1,189	161	549	1,087	30	4,558	1,453	1,102	546
1994	1,003	37	696	681	54	4,591	1,187	990	494
1995	950	17	685	639	27	4,279	1,291	894	521
1996	1,238	15	468	491	58	4,153	1,389	864	491
1997	1,303	7	326	567	69	3,938	1,465	878	489
1998	1,346	17	411	668	91	3,473	1,465	953	466
1999	1,228	23	424	773	73	3,041	1,477	952	445
2000	1,268	29	318	832	57	3,002	1,472	923	445
2001	1,277	111	131	969	35	2,974	1,416	962	400
2002	1,303	145	144	998	42	2,968	1,364	986	391
2003	1,416	101	164	1,071	54	2,889	1,530	1,023	392

Table 26. Pilot Inventory by Pay Grade
From: Appendices C and K

Retention at the grades of O-4 and senior has been very strong and above authorization as shown in Figure 9. There are different attrition and retention issues by platform (VF, VAW, VP, etc...) within the aviation community, but is not considered in this thesis. Few pilots participate in the LT&R process. It is interesting to note that the number of student aviators who were O-3s in 1998 to date has steadily decreased indicating either a reduced training backlog or that the community has reduced the amount of other URL officers to redesignate into 139X. This spike may have been caused by redesignations from other URL communities into the aviation-training pipeline to maintain student aviator end strength.

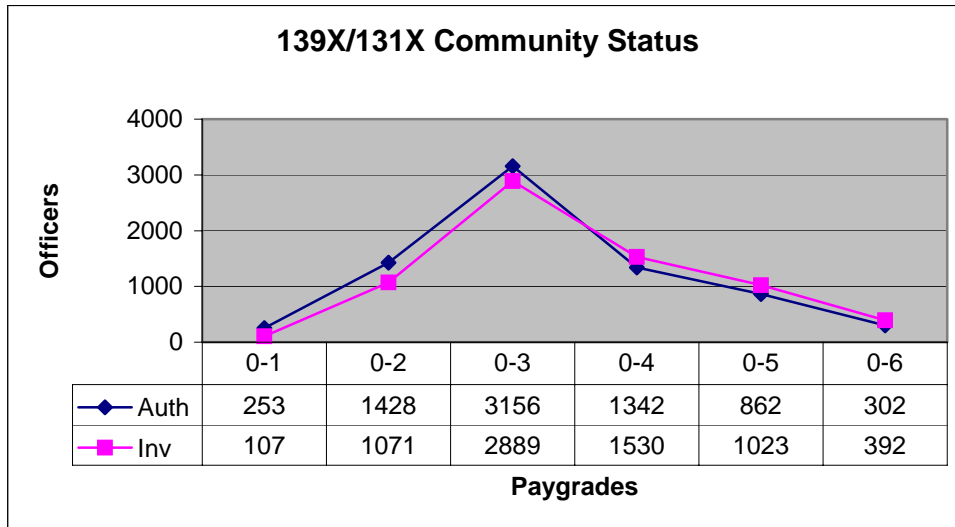


Figure 9. 131X Designator Inventory to Authorized Billets by Pay Grade (Sept 2003)
From: Appendix C

(2) Naval Flight Officer (137X/132X)

Naval Flight Officer accessions (O-1 137X) have increased in the past two years as shown in Table 23.

Year/ Pay grade	O-1 137X	O-1 132X	O-2 137X	O-2 132X	O-3 137X	O-3 132X	O-4 132x	O-5 132x	O-6 132x
1992	731	81	107	787	14	2,437	1,245	711	170
1993	575	23	122	694	12	2,380	1,195	675	165
1994	403	26	176	513	12	2,221	917	596	154
1995	412	11	184	358	15	2,035	905	585	156
1996	577	19	103	278	20	1,975	868	588	174
1997	589	48	67	303	21	1,842	842	580	187
1998	545	44	94	433	29	1,567	856	657	196
1999	509	44	134	452	26	1,386	826	661	202
2000	565	61	132	384	25	1,376	830	673	211
2001	517	131	27	452	15	1,343	882	683	221
2002	561	100	69	493	13	1,272	887	667	244
2003	606	113	62	511	10	1,242	872	686	252

Table 27. Naval Flight Officers Inventory by Pay Grade
From: Appendices C and K

Figure 10 shows that OPA is not meet at the junior pay grades but exceeded at the senior pay grades. It is difficult to analyze this community due to the various surpluses and shortages of various NFOs by platform type.

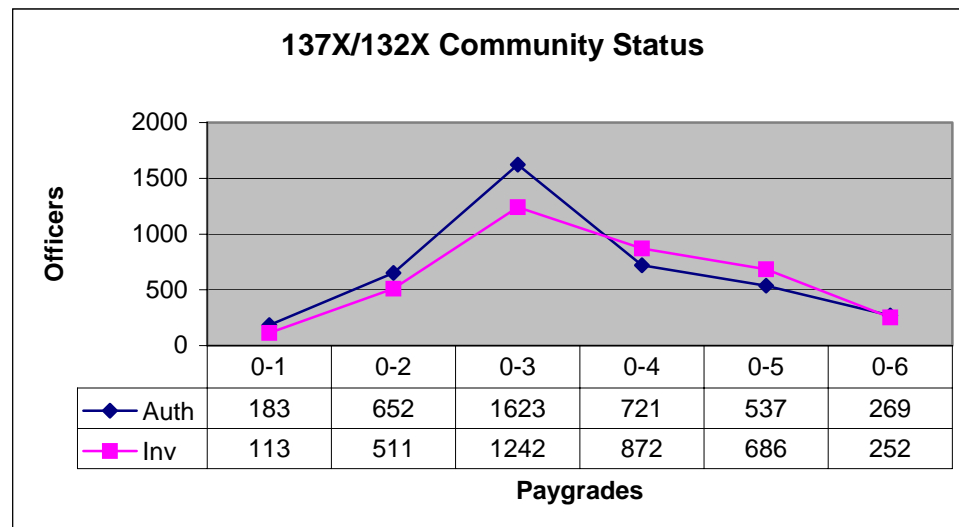


Figure 10. 132X Designator Inventory to Authorized Billets by Pay Grade (Sept 2003)

From: Appendix C

2. Unrestricted Line Designator Not Authorized by OPA

Due to the FSO community phase out, and intentional retention policy of nonqualified General Aviators, the Navy has more than 600 officers currently on active duty though their designator inventory is not authorized in the OPA. These officers are paid for by allowing billets to go vacant in other authorized designators. This could lead to billet mismatch and result in the draining of additional Manpower Navy budgetary resources.

a) *Fleet Support /General Unrestricted Line (110X/170X/)*

Since the repeal of the Combat Exclusion Law, more women have been allowed to serve on combatants and fighter aircraft. The General URL (GURL) was disestablished in 1994 and in 1995 the FSO Community emerged (in the RL community). The FSO Community required mostly warfare qualified men to redesignate to fill its billets. The community averaged 95 redesignation selects per year for three years, totaling 286. Table 24 shows the gradual decline of inventory in the early 1990s for the

GURL due to community transition and normal attrition for those who did not redesignate.

Year/Pay grade	O-1 110X	O-2 110X	O-3 110X	O-4 110X	O-5 110X	O-6 110X
1992	363	443	858	702	266	44
1993	343	407	763	680	294	47
1994	239	343	696	557	282	47
1995	26	16	9	3	1	1
1996	11	12	15	2	0	0
1997	10	12	29	1	0	0
1998	14	36	28	1	0	0
1999	0	0	0	0	0	0

Table 28. General Unrestricted Line Inventory by Pay Grade
From: Appendix K

Table 25 shows the establishment of the FSO Community in 1995 and the accession freeze for two years. In 1999 the community was removed from the RL competitive category and returned to the URL officer group to improve promotion opportunities. Figure 11 shows that the number of redesignations peaked in 1996 then significantly decreased the following two years until the accession freeze was imposed.

Year/Pay grade	O-1 170X	O-2 170X	O-3 170X	O-4 170X	O-5 170X	O-6 170X
1994	0	0	0	0	0	0
1995	97	299	635	525	290	64
1996	98	191	682	504	339	80
1997	99	123	694	478	373	78
1998	90	116	621	501	366	78
1999	85	101	537	467	283	92
2000	13	0	0	0	0	1

Table 29. Fleet Support Inventory by Pay Grade
From: Appendix K

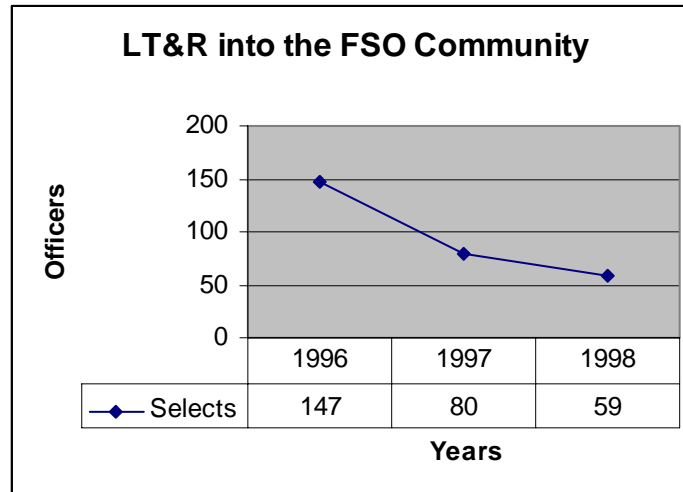


Figure 11. Laterals into the FSO Community
From: Appendix J

In August 2001, FSOs were asked to either apply to three other communities, or stay FSO. They could transfer to Supply Corps, or to the new HR and IP communities. Selections and decisions were based on individual preferences, prior experience, and good fit with new community. When the transition selection board concluded, mostly LCDRs, CDRs and CAPTS remained in the FSO Community. Table 26 shows the FSO Community returning to the URL Grouping of officers in 1999 and then it experienced a significant reduction of inventory in 2001 due to the establishment of the HR and IP Communities which acquired many of the former FSO billets. These new communities were initially populated by hundreds of former FSOs. The URL FSO 110X-coded billet base has since been disestablished and FSOs now fill officer generic 100X-coded billets and occasionally 105X-coded billets, depending on the individual's prior warfare qualification, AQD and SSP experience.

Year/Pay grade	O-1 110X	O-2 110X	O-3 110X	O-4 110X	O-5 110X	O-6 110X
1999	14	59	45	2	4	1
2000	85	92	390	461	285	101
2001	106	87	268	427	311	98
2002	3	0	17	135	103	55
2003	0	0	6	92	81	54

Table 30. Fleet Support Officer Inventory by Pay Grade
From: Appendices C and K

The 236 members of the FSO Community, shown in Table 26, were not authorized in the 2003 OPA and the community no longer accepted redesignations. The community's phase-out continues through natural progression and the remaining eligible officers, particularly junior LCDRs, are encouraged to redesignate. However, the billets they currently fill are not being filled by other communities. In June 2003, CNP (N13) issued a Policy Decision Memorandum announcing the planned phase-out of any command opportunity for FSOs at the CDR level, which will dramatically reduce the opportunity for promotion to CAPT.

The first round of IRAD cuts did not impact the FSO Community, and that will hold true for subsequent rounds if the guidance for separation remains the same to separate community specific non-qualified officers. Approximately six LTs remain in the community, and three will be separated in 2004. A target date to disestablish the FSO Community has not been set. The numbers will continue to decrease via attrition and 185 should be in the inventory by September 2004. Potential exists, for the worst case, for an 1100 LT to be on active duty until 2016¹¹.

b) General Aviation (130X)

The General Aviation inventory dramatically increased to over 380 officers in pay grades O-1 through O-3 starting in 1997 as shown in Table 27 and Figure 12. Most of the growth in the retention of these officers started in 1997 and continued to accelerate in 2001 and resulted from aggressive accessions and the resulting increases in training disqualifications. There are very few officers above the O-4 pay grade. Table 27 shows 383 General Aviation officers are on active duty who generally no longer have a viable career opportunity. The 130X designator represents 3% of the entire Aviation Community (130X/131X/132X). MILPERSMAN Article 1610-020, Disqualification of Officers for Duty Involving Flying, governs these officers and the designator is designed as a temporary placeholder until the officer can redesignate or separate.

¹¹ *FSO Officer Community Manager website, 28Jan04*

Year/ Pay grade	O-1	O-2	O-3	O-4	O-5	O-6
1992	1	19	68	20	9	0
1993	0	4	46	21	7	0
1994	0	7	45	19	3	0
1995	1	11	46	16	2	0
1996	1	8	47	8	3	0
1997	72	36	65	3	3	0
1998	32	66	64	4	2	0
1999	65	81	62	2	3	0
2000	56	108	73	4	1	1
2001	102	102	82	5	0	1
2002	132	149	89	8	0	1
2003	95	195	93	8	1	1

Table 31. General Aviation Inventory by Pay Grade
From: Appendices C and K

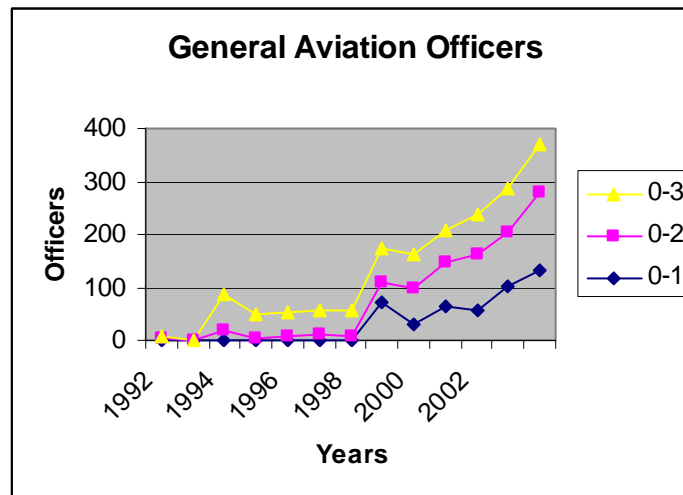


Figure 12. General Aviation Inventory (Sept 2003)
From: Appendices C and K

If warfare qualification continues to be the key to redesignation from the URL, a future change is under consideration to OPNAVINST 1412.2H, *Surface Warfare Officer (SWO) Qualification and Designation*, that will allow 130X designated officers, assigned to CV/CVNs, to warfare qualify and then become eligible for redesignation into

another officer community. It grants an individual the opportunity to continue their Navy career.¹²

3. Restricted Line

a) *Special Duty Human Resource (120X)*

The Human Resource Officer Community inventory is shown in Table 28. HR had a large inventory of O-1s and O-2s in the first year of the community's existence (2002). This number was reduced the following year due to automatic promotion.

Year/Pay grade	O-1	O-2	O-3	O-4	O-5	O-6
2002	102	109	118	144	96	23
2003	27	15	124	157	98	27

Table 32. Human Resource Inventory by Pay Grade
From: Appendices C and K

Figure 13 shows the initial redesignation of 329 FSOs into the HR Community in August 2001, (this number includes 25 officers selects from other communities). It is followed by two years of redesignations designed to match the community inventory to authorizations by 2006. The community has averaged 67 selects per year for the first three years of the community's existence (which does not include the selected former FSOs).

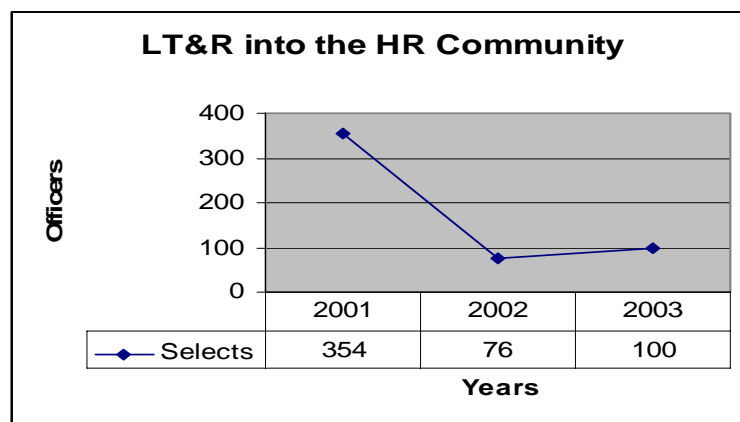


Figure 13. Lateral Selects into the HR Community
From: Appendix J

¹² N76 is responsible for the change. N131C email dated 28 January 2004.

Figure 14 shows an excess inventory at the O-1 and O-2 grades, and shortfalls at O-3, O-5 and O-6. The HR Community was at 79% (449 to 567) inventory-to-billets in September 2003, and had an O-3 fill rate of 55% (124/224) and a O-4 pay grade fill rate of 96% (157/164), which is considered successful for the purposes of SECNAVINST 1210.5A. Due to the large number of recent redesignations, the community reached steady state in December 2003, three years ahead of the projected date of 2006.

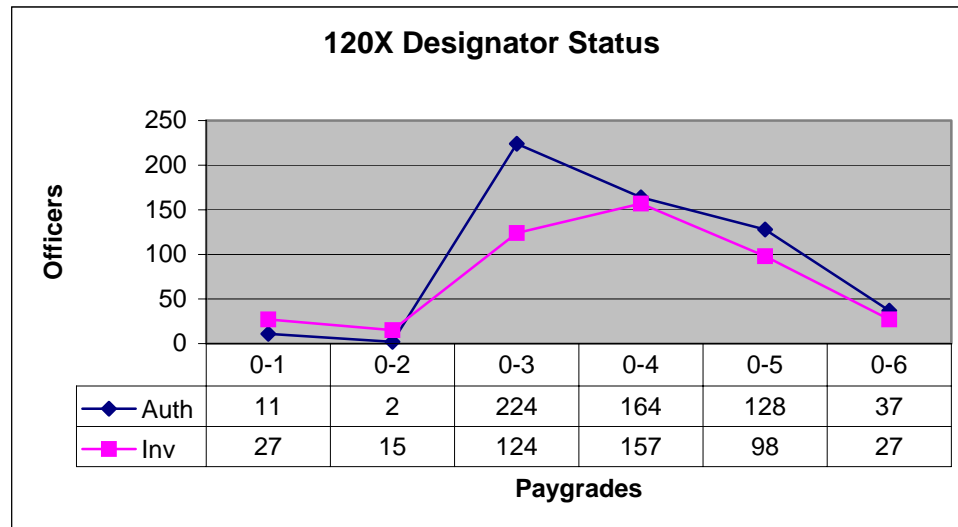


Figure 14. 120X Designator Inventory to Authorized Billets by Pay Grade (Sept 2003)

From: Appendix C

b) Engineering Duty Officers (146X/144X)

The Engineering Duty Officer (146X/144X) Community has averaged 59 selects per year for eight years. Table 29 shows a steady inventory at O-3 and above, but the inventory is half of what it was in the early 1990's for O-3s. This could be a result of downsizing mixed with the inability to fully access new officers.

Table 33.

Year/Pay grade	01	02	03	04	05	06
1992	3	4	314	384	300	138
1993	0	7	262	399	297	139
1994	1	6	270	351	264	130
1995	0	0	240	341	246	122
1996	0	1	217	321	245	124
1997	0	0	175	324	248	120
1998	0	5	174	331	237	111
1999	0	3	163	342	234	111
2000	0	6	145	341	230	118
2001	0	12	142	324	222	120
2002	1	9	153	291	230	115
2003	3	11	163	287	231	124

Table 34. Engineering Duty Officer Inventory by Pay Grade
From: Appendices C and J

Figures 15 and 16 show consistent demand for officers, even when the inventory decreased later in the decade. The community has been at a steady state of approximately 55 selects from 1999 through 2002, but with an additional upward spike of 75 selects in 2003. In Graph 12, the community fill rate is 90% (828/916), with and has an O-3 pay grade fill rate of 72 % and an O-4 pay grade fill rate of 90%.

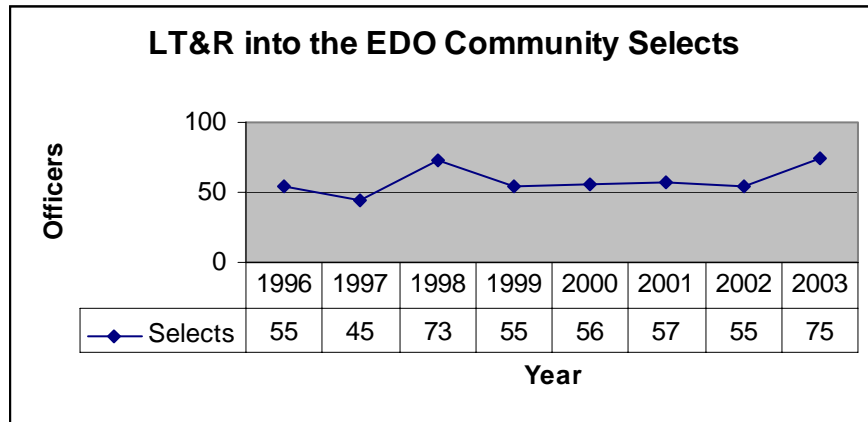


Figure 15. Lateral Selects into the EDO Community
From: Appendix J

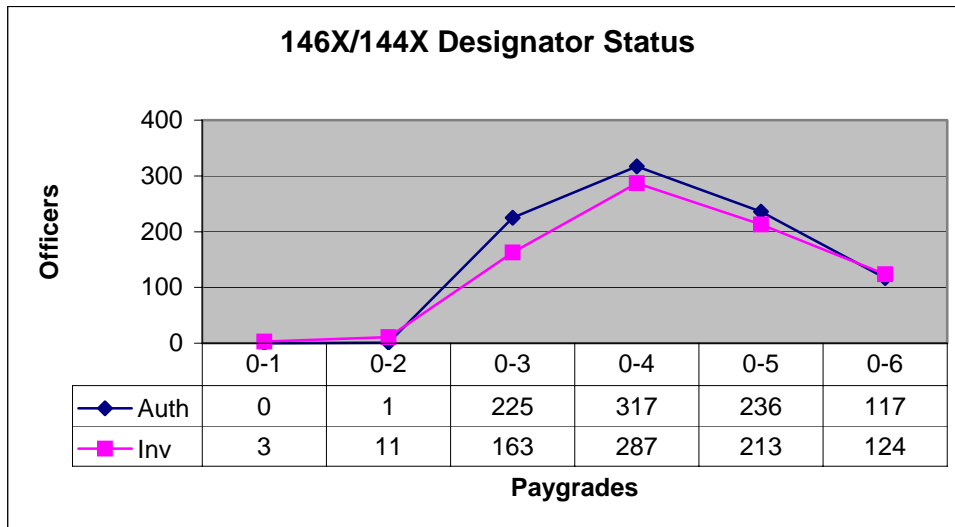


Figure 16. 146X/4X Designator Inventory to Authorized Billets by Pay Grade (Sept 2003)
From: Appendix C

c) Aviation Engineering Duty Officer (151X)

The Aviation Engineering Duty Officer Community (151X) has averaged 30 selects per year for eight years. The AEDO Community, shown in Table 30 and in Figures 17 and 18, had a slight increase in selects in 1998, but a steady decline from 1999 through 2001. The community fill rate is 81% (301/373). However, the O-3 fill rate is only 12%, whereas O-4s are at 91%. The requirement to be aviation warfare qualified and have completed the minimal obligated service due to training has severely restricted the supply of O-3s available to redesignate. Currently, only YGs 1996 and 1997 have the ability to redesignate and shortfalls will continue in the O-3 pay grade.

Year/Pay grade	O-1	O-2	O-3	O-4	O-5	O-6
1992	0	0	14	146	150	20
1993	0	0	16	134	155	21
1994	0	0	11	113	150	22
1995	0	0	6	120	153	21
1996	0	0	5	115	150	23
1997	0	0	9	111	138	24
1998	0	0	12	116	119	35
1999	0	0	9	120	127	19
2000	0	0	4	121	134	17
2001	0	0	0	116	133	18
2002	0	0	0	110	131	20
2003	0	0	6	108	133	23

Table 35. Aviation Engineering Duty Officer Inventory by Pay Grade
From: Appendices C and K

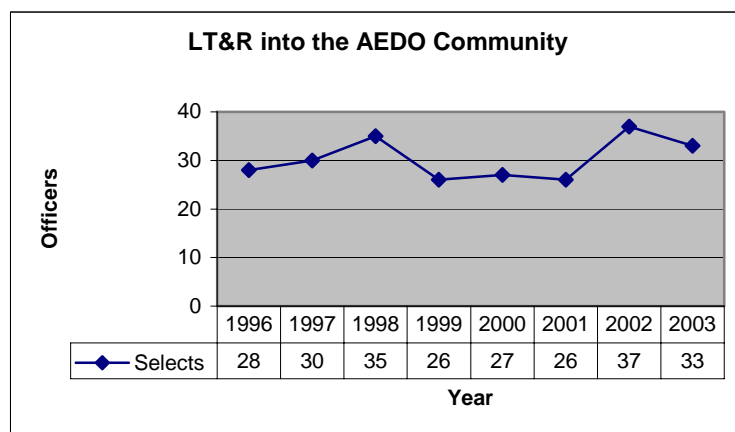


Figure 17. Redesignation Selects into the AEDO Community
From: Appendix J

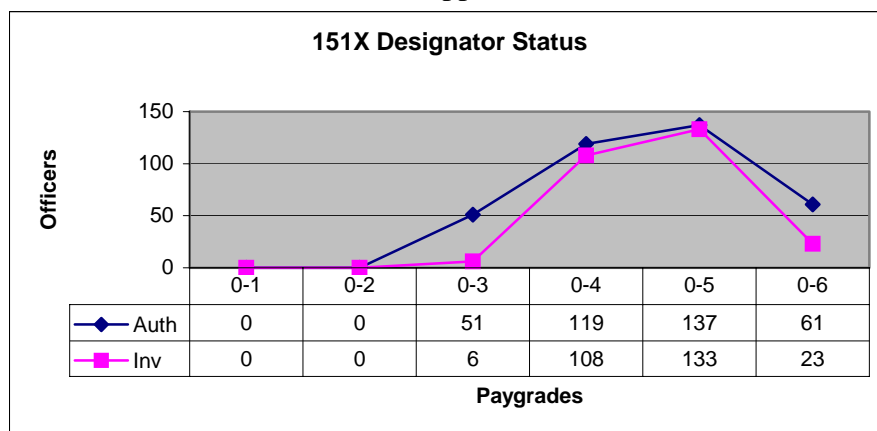


Figure 18. 151X Designator Inventory to Authorized Billets by Pay Grade (Sept 2003)
From: Appendix C

d) Aviation Maintenance Duty Officer (152X)

The Aviation Maintenance Duty Officer Community (152X) has averaged 11 selects per year for eight years. The AMDO Community, shown in Table 31 and in Figures 19 and 20, had a slight drop in selects in 1997 and then a dramatic increase in 1998. The selects then decreased and the community assumed a steady state from 1999 to 2001. The selects then increased and the community assumed a steady state from 1999 to 2001. The fill rate is 100% (506/506), but inventory exceeds authorizations in the O-1 and O-2 pay grades.

Table 36.

Year/Pay grade	O-1	O-2	O-3	O-4	O-5	O-6
1992	25	75	221	154	89	12
1993	30	54	221	152	86	12
1994	50	44	206	135	82	13
1995	46	48	180	130	82	8
1996	39	50	146	136	85	9
1997	43	58	132	140	87	9
1998	43	69	130	139	83	11
1999	56	72	124	133	84	11
2000	50	77	138	129	83	14
2001	59	64	141	130	84	15
2002	61	62	144	120	88	9
2003	52	74	130	120	89	10

Table 37. Aviation Maintenance Duty Officer Inventory by Pay Grade
From: Appendices C and K

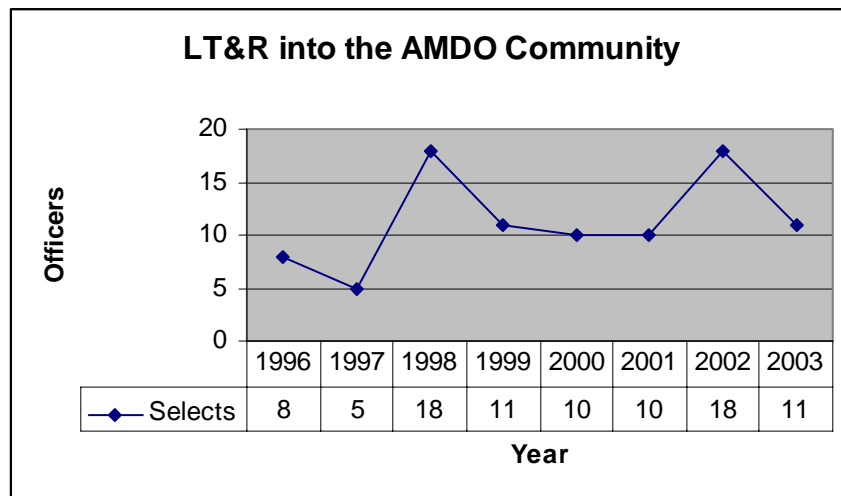


Figure 19. Laterals Into the AMDO Community
From: Appendix J

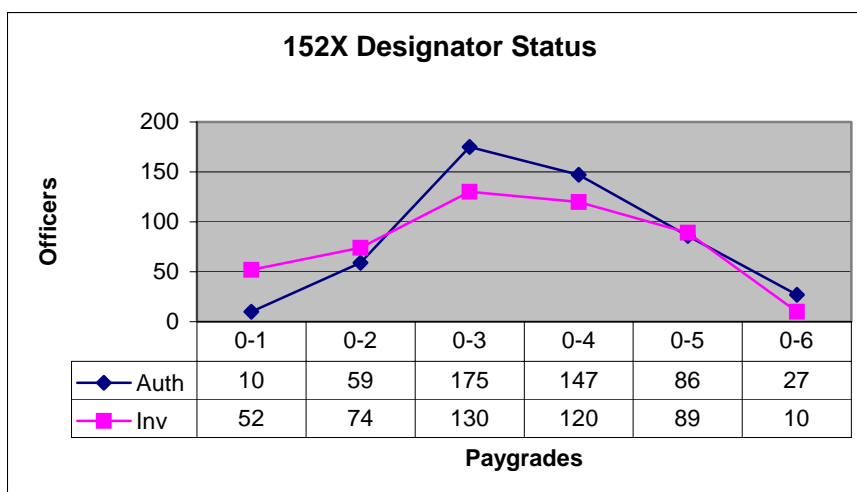


Figure 20. 152X Designator Inventory to Authorized Billets by Pay Grade (Sept 2003)

From: Appendix C

e) Special Duty Officer Information Professional (160X)

The Information Professional Community (160X) has averaged 57 selects per year for the last three years. The IP Community shown in Table 32 and in Graphs 21 and 22, was established in October 2001. An initial Redesignation Selection board was conducted in August 2001, and there was a massive infusion of 304 officers from the FSO Community. In November 2001, 29 officers were selected, followed by 52 in 2002 and 91 in 2003. The community fill rate was 88% (375/ 539) in September 2003, but had a O-3 pay grade fill of 50% (93/187) and a O-4 pay grade fill of 74% (152/206). The community is still growing to steady state and may be challenged to fill the O-4 authorizations through the LT&R process.

Year/Pay Grade	O-1	O-2	O-3	O-4	O-5	O-6
2002	2	8	62	148	86	24
2003	3	10	93	152	90	26

Table 38. Information Professional Inventory by Pay Grade

From: Appendices C and K

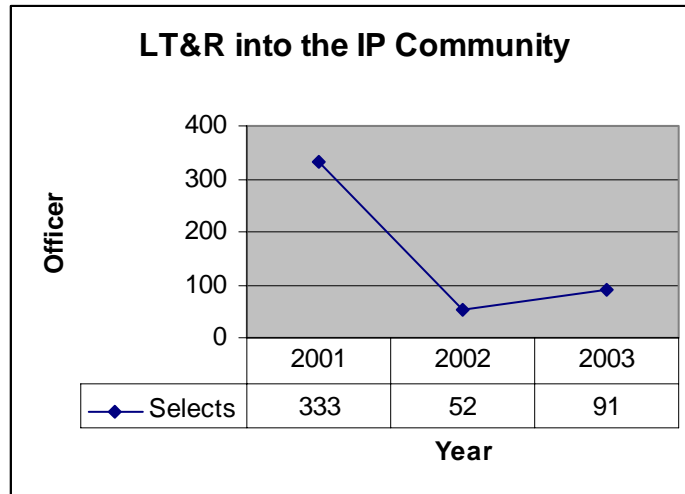


Figure 21. Laterals Into the IP Community
From: Appendix J

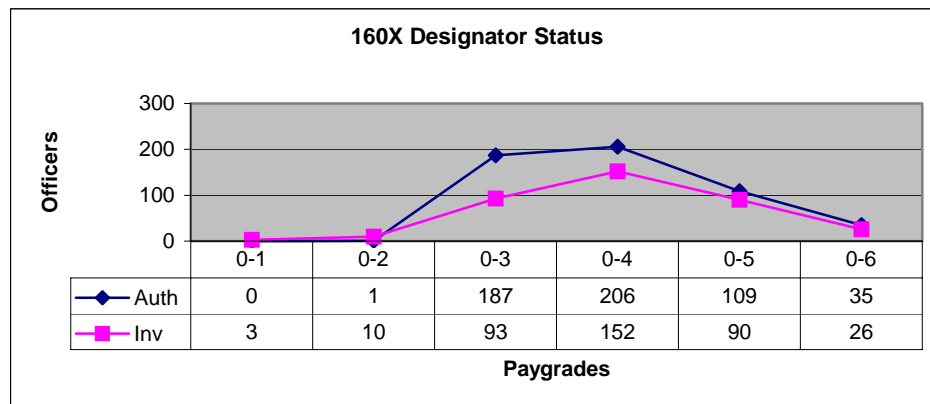


Figure 22. 160X Designator Inventory to Authorized Billets by Pay Grade (Sept 2003)
From: Appendix C

f) Special Duty Officer Cryptology (164X/161X)

The Cryptology Community (164X/161X) has averaged 21 selects per year for eight years. The Cryptology Community, shown in Table 33 and in Figures 23 and 24, had a gradual decrease from 1996 to a low in 1998 and 1999. There was a gradual increase in 2000 and 2001 and then a dramatic increase in 2002. There continued to be an increase in 2003 with the community fill at 97% (799/ 820). The community significantly exceeded OPA at the O-1 and O-2 pay grades yet was at 75% fill for O-3 and 90% for O-4.

Year/Pay grade	O-1	O-2	O-3	O-4	O-5	O-6
1992	68	112	230	174	97	39
1993	63	102	230	177	99	43
1994	74	74	256	160	98	45
1995	73	73	250	175	99	40
1996	54	91	241	180	99	40
1997	73	103	254	174	93	39
1998	71	96	259	178	92	41
1999	84	85	260	172	93	34
2000	93	87	252	169	95	38
2001	96	105	214	185	106	38
2002	105	108	232	183	110	39
2003	92	125	240	190	111	38

Table 39. Cryptology Inventory by Pay Grade
From: Appendices C and K

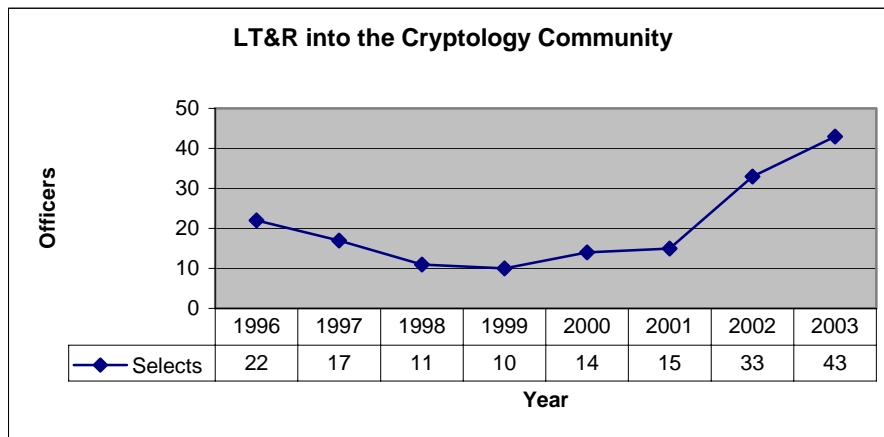


Figure 23. Laterals Into the Cryptology Community
From: Appendix J

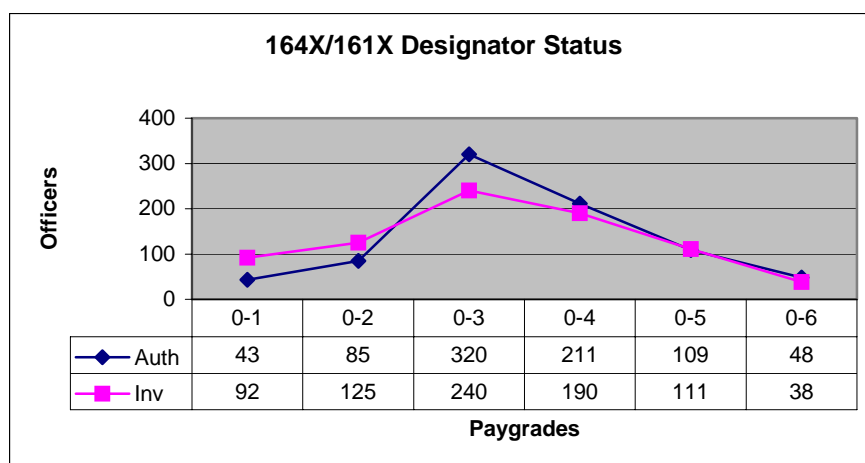


Figure 24. 164X/161X Designator Inventory to Authorized Billets by Pay Grade
(Sept 2003)
From: Appendix C

g) Special Duty Officer Intelligence (163X)

The Intelligence Community is the only RL Community that restricts officers from participating in the LT&R process. It has aggressively accessed new officers through OCS and has recently promulgated an instruction in support of Direct Appointments into the Intelligence Community. The number of Intelligence Officers authorized to redesignate out very restrictive, as shown in Table 34.

YG	02	01	00	99	98	97 & Senior
Restriction	0	1	1	1	1	0

Table 40. Intelligence Officers Authorized to Redesignate Out by YG (November 2003)
From: November 2003 Requirements Letter

The Special Duty Officer Intelligence Community (163X) has averaged 27 selects per year for eight years. The Intelligence Community, shown in Table 35 and in Figures 25 and 26, had a slight decrease in 1997 and a slight steady state increase from 1997 to 1999. There was a dramatic increase in 2000 and it remained level through 2002, with an additional increase in 2003. The community fill rate is 100.5% (1360/1353) strength, but significantly exceeds authorization at the O-1 and O-2 pay grades and was at 88% for O-3 and 83 % for O-4.

Year/Pay grade	O-1	O-2	O-3	O-4	O-5	O-6
1992	95	214	369	306	168	72
1993	95	159	406	310	167	74
1994	128	115	442	284	168	73
1995	151	130	402	316	172	77
1996	153	151	391	309	174	75
1997	185	167	391	292	176	72
1998	153	193	366	320	179	72
1999	136	208	360	317	166	68
2000	148	196	347	326	169	70
2001	173	169	376	319	163	80
2002	195	184	381	318	175	84
2003	179	216	392	303	185	81

Table 41. Intelligence Inventory by Pay Grade
From: Appendices C and K

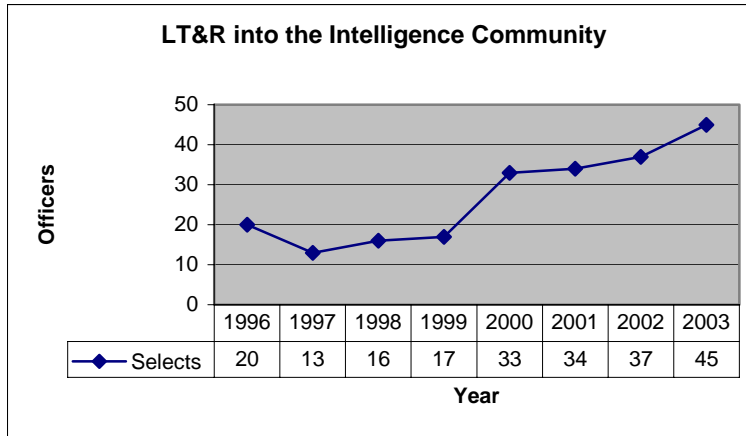


Figure 25. Laterals into the Intelligence Community
From: Appendix J

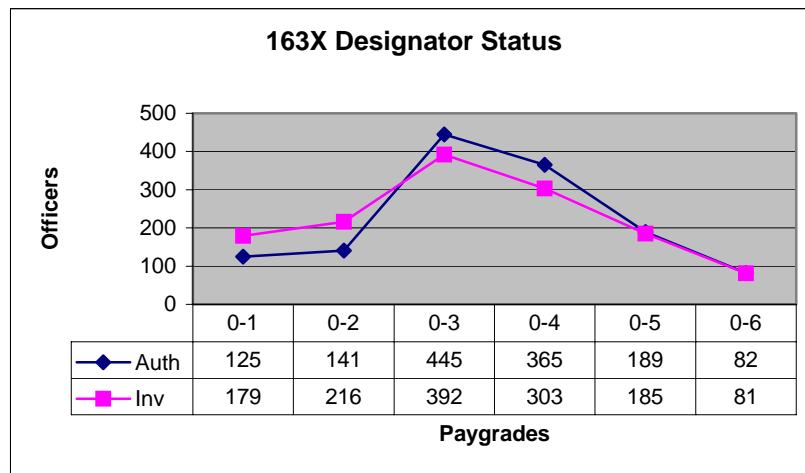


Figure 26. 163X Designator Inventory to Authorized Billets by Pay Grade (Sept 2003)
From: Appendix C

h) Special Duty Officer Public Affairs Officer (165X)

The Public Affairs Officer Community (165X) has averaged 13 selects per year for eight years. The PAO Community shown in Table 36, and in Figures 27 and 28, had a slight decrease in selects in 1997 and an increase in selects in 1998 and 1999. There was a decrease in 2000 and 2001 and then it remained steady in 2002 and 2003. The community fill rate is 97% (193/199).

Year/Pay grade	O-1	O-2	O-3	O-4	O-5	O-6
1992	4	3	82	63	40	14
1993	4	6	73	58	44	15
1994	4	7	78	41	41	16
1995	4	8	77	48	40	17
1996	10	12	63	57	35	24
1997	9	10	60	58	32	24
1998	9	17	66	53	32	24
1999	9	12	64	49	34	22
2000	4	11	71	52	35	16
2001	4	12	68	53	35	15
2002	4	10	67	52	37	19
2003	4	14	63	58	36	17

Table 42. Public Affairs Officer Inventory by Pay Grade
From: Appendices C and K

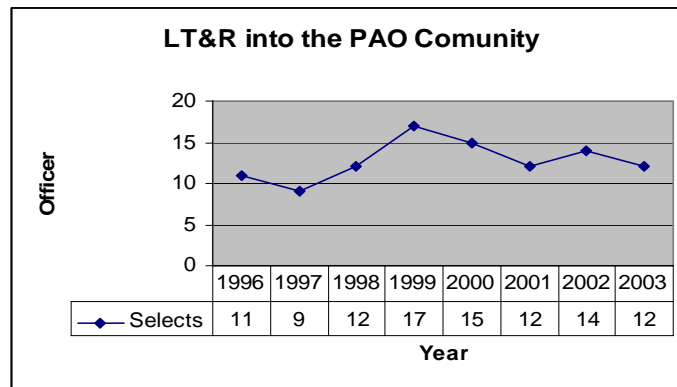


Figure 27. Laterals into the PAO Community
From: Appendix J

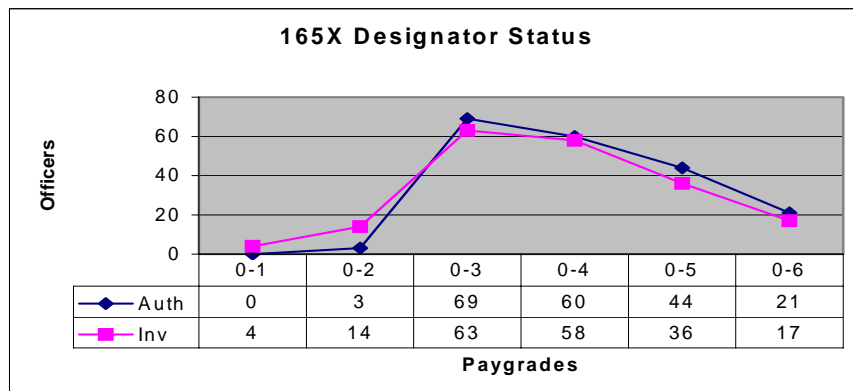


Figure 28. 165X Designator Inventory to Authorized Billets by Grade (Sept 2003)
From: Appendix C

i) *Special Duty Officer Oceanography (180X)*

The Oceanography Community (180X) has averaged nine selects per year for eight years. Lateral transfers for the Oceanography Community and shown in Table 37 and in Figures 29 and 30. The community fill rate is 98% (409/ 418).

Year/Pay grade	O-1	O-2	O-3	O-4	O-5	O-6
1992	13	34	138	142	69	29
1993	13	26	142	138	75	27
1994	25	27	152	117	74	29
1995	29	26	137	128	75	31
1996	15	37	121	139	79	30
1997	3	32	108	140	84	28
1998	6	27	109	150	80	23
1999	9	29	117	144	83	24
2000	13	31	104	141	83	29
2001	20	22	89	143	82	32
2002	14	34	94	137	78	32
2003	16	52	98	129	80	33

Table 43. Oceanography Inventory by Pay Grade
From: Appendices C and K

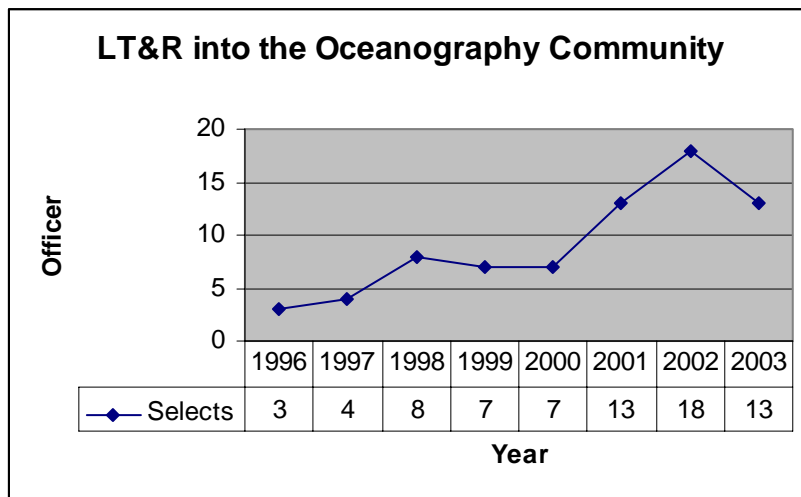


Figure 29. Laterals into the Oceanography Community
From: Appendix J

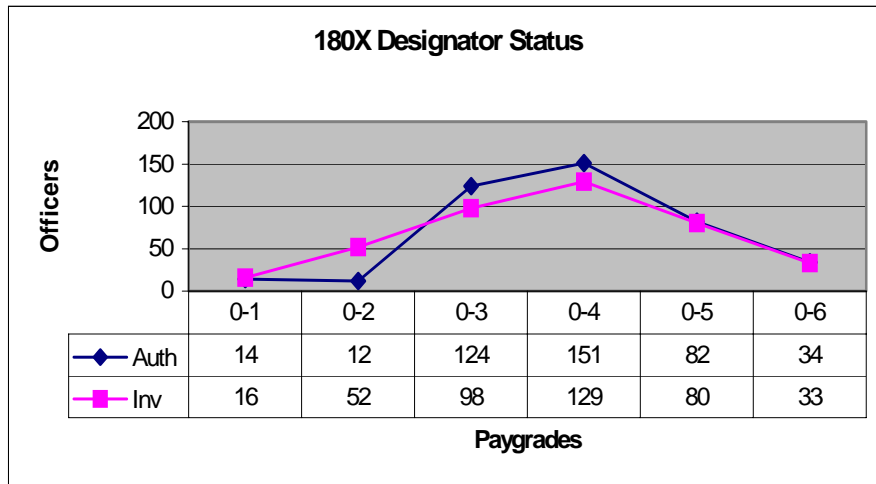


Figure 30. 180X Designator Inventory to Authorized Billets by Grade (Sept 2003)
From: Appendix C

j) Supply Corps (310X)

The Supply Corps Community (310X) has averaged 16 selects per year for eight years. Table 38, Figures 31 and 32, show a well managed community with the exception of the O_2 pay grade. The community had a steady state of selections in 1996 through 1998, but an increase in 1999 with most selects being either SWOs or General Aviation Officers. In 2000, the number of selects dropped and then in 2001 there was a dramatic increase in selects, with approximately half from the FSO community, a quarter from General Aviation, and the rest from the SWO community. In 2002, 74% of the selects were from General Aviation, but the community select rate dramatically dropped from 31 in 2002 to six in 2003. The community fill rate was 103% (2601/2517).

Year/Pay Grade	O-1	O-2	O-3	O-4	O-5	O-6
1992	396	621	1,154	791	568	224
1993	404	473	1,188	760	559	214
1994	468	462	1,137	623	482	191
1995	480	467	1,091	636	448	178
1996	342	499	993	622	463	180
1997	194	480	1,000	606	461	184
1998	251	359	928	599	462	175
1999	302	238	871	525	420	164
2000	401	325	746	517	422	165
2001	426	406	682	508	415	174
2002	341	484	658	520	437	177
2003	268	463	730	510	442	178

Table 44. Supply Corps Inventory by Pay Grade
From: Appendices C and K

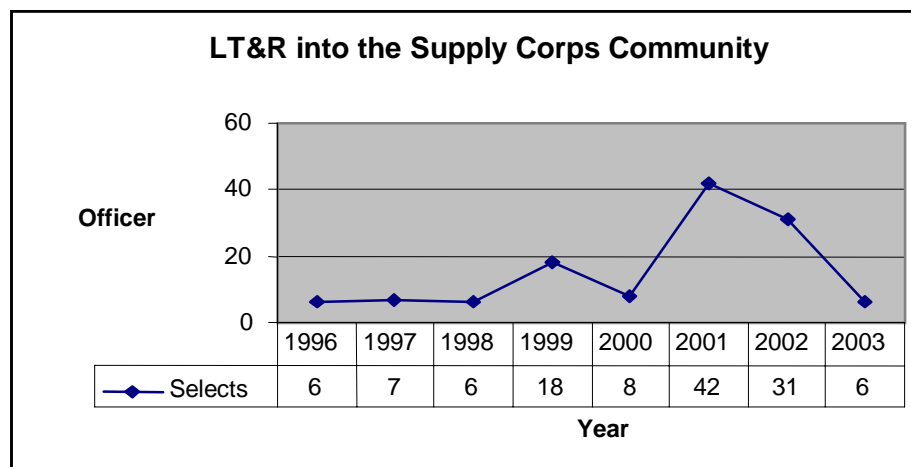


Figure 31. Laterals into the Supply Corps Community
From: Appendix J

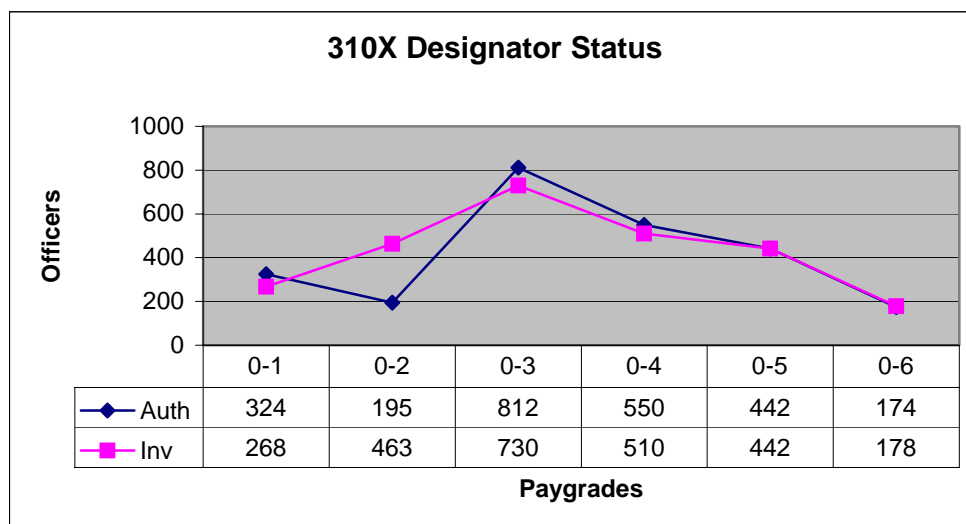


Figure 32. 310X Designator Inventory to Authorized Billets by Pay Grade (Sept 2003)
From: Appendix C

k) Civil Engineering Corps (510X)

The Civil Engineering Corps Community (510X) has averaged 18 selects per year for eight years. Table 39 shows a community that has had a relatively steady inventory for the past ten years. Figure 33 shows wide swings in the number of redesignation selects while Figure 34 shows inventory excesses at the junior officer

grades and even matches at the middle and senior officer grades. The community was at a fill rate of 105% (1319/1255) strength.

Year/ Pay grade	O-1	O-2	O-3	O-4	O-5	O-6
1992	154	207	570	302	186	96
1993	158	197	557	289	172	90
1994	169	175	552	266	169	89
1995	181	182	466	309	166	84
1996	166	189	476	283	178	92
1997	155	195	500	268	177	95
1998	132	186	490	262	176	83
1999	122	176	442	268	169	83
2000	158	171	390	268	162	83
2001	180	169	383	268	176	91
2002	181	185	403	271	176	86
2003	179	197	404	268	182	84

Table 45. Civil Engineering Corps Inventory by Pay Grade
From: Appendices C and K

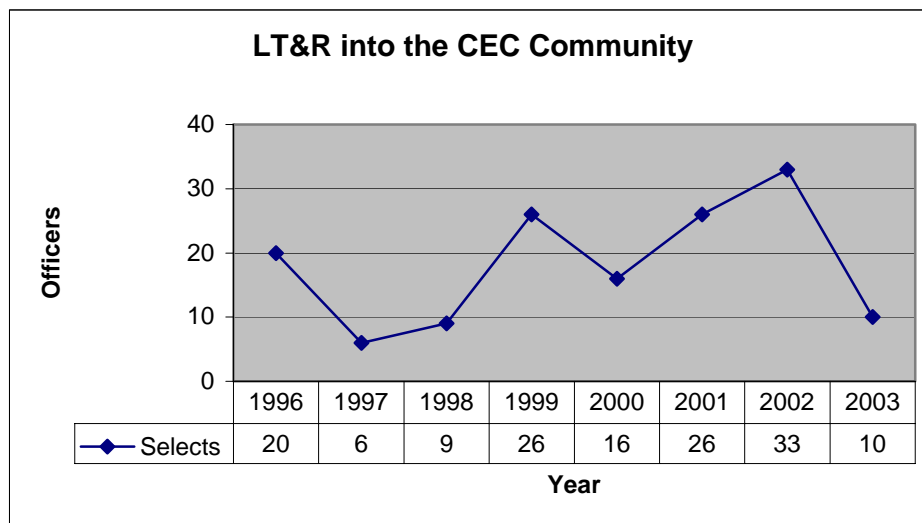


Figure 33. Laterals into the CEC Community
From: Appendix J

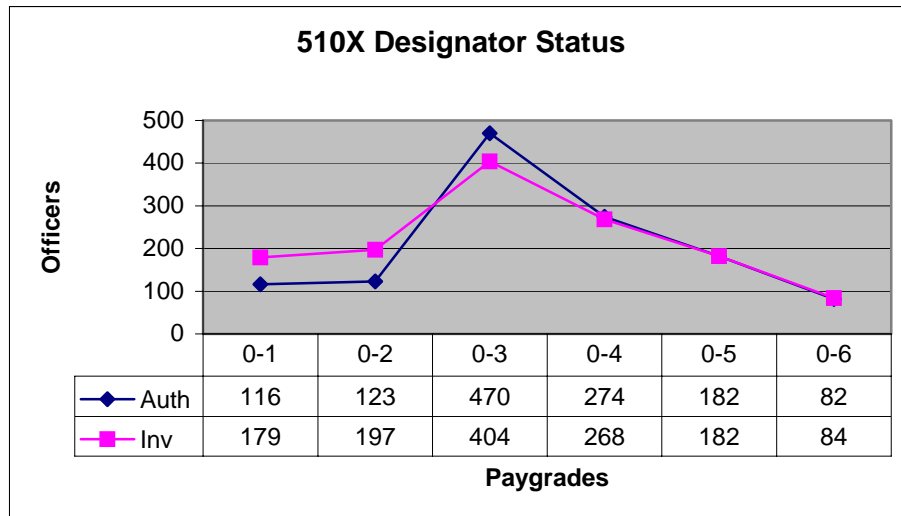


Figure 34. 510X Designators Inventory to Authorized Billets by Pay Grade (Sept 2003)

From: Appendix C

4. Limited Duty Officers Selected for Transfer and Redesignation

The LDO Community has also had restrictions on laterals. Table 40 shows, out of 2,280 selects, 126 were LDOs comprising approximately 6% of all redesignation to the RL and select Staff communities. There was a recent increase in selections beginning in 2001, mostly for the IP Community. The AMDO, IP, Cryptology and Supply Corps Communities are the largest recipients of LDOs, with AMDO being the most consistent selector. The LDO Community selection rate is not expected to change.

Designator/ Year	1996	1997	1998	1999	2000	2001	2002	2003	Total
120X	N/A	N/A	N/A	N/A	N/A	2	4	3	9
144X	0	0	0	0	0	2	0	2	4
151X	0	0	0	0	0	0	0	0	0
152X	5	4	3	4	5	0	4	6	35
160X	N/A	N/A	N/A	N/A	N/A	1	6	14	21
161X	7	4	0	0	1	4	8	4	28
163X	0	0	1	0	1	0	0	0	2
165X	0	0	0	0	1	0	0	0	1
170X	2	2	3	N/A	N/A	N/A	N/A	N/A	7
180X	0	1	0	0	0	0	0	0	1
310X	3	4	5	3	1	4	1	0	21
510X	0	1	0	0	0	0	0	0	1
Total	17	16	12	7	9	13	23	29	

Table 46. Limited Duty Officers Selected for Transfer or Redesignation (1996 – 2003)

From: Appendix J

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IV. QUANTITATIVE ANALYSIS OF LATERAL TRANSFERS

A. LITERATURE REVIEW

The previous chapter provided a review and analysis of the Navy Instructions and messages that have governed the policies, procedures, and outcomes of the LT&R process since 1996. This chapter will focus on the history and efficiencies of the Navy's lateral transfer and redesignation process. In 1996, OPNAV N131 commissioned a comprehensive study of officer career policies that would contribute to increased retention and a cost effective officer management system. The study, titled *The Lateral Transfer System: How Well Does It Serve Officers and Communities?*¹³ was written by Carol Moore and David Reese, at the Center for Naval Analyses.

The Moore and Reese (hereafter M&R) study had two goals: (1) to determine whether training attrites were a source of high quality accessions for URL communities; and (2) to determine how RL and Staff community requirements could be met through the LT&R process. The study covered historical trends and identified the characteristics of attrites including demographics, accession source and other officer characteristics.

M&R concluded that training attrites were a source of quality accessions for URL communities. This was reported after the Navy had already established a policy that gave priority to the URL communities over RL or Staff communities regarding lateral transfers. The study also concluded that USNA graduates were the least likely to become training attrites.

M&R analyzed a sample of 33,598 officers in year groups between 1975 and 1995. The study examined the challenges experienced during the early 1990s in meeting RL and Staff community requirements via lateral transfers. The downsizing affected the distribution of officers by seniority, which had a significant impact on officer supply. M&R made recommendations on how to meet requirements by increasing accessions,

¹³ Note term clarification: the study uses the term lateral transfer for both lateral transfers and redesignations. See terms and definitions section, Chapter II.

transitioning officers to the RL and Staff communities earlier and commercial outsourcing of select shore intensive officer billets.

To analyze promotion to LCDR, M&R analyzed YGs between 1975 and 1995. Various logit regression models were estimated using data drawn from the CNA Officer Longitudinal File. The study concluded that lateral transfers could meet RL and Staff requirements in the future but showed that there was a dramatic decline in the URL officer-strength (supply) in the 1990s. Figure 35 shows officer inventories in the URL, RL, and Staff Corps from 1975 to 1995. This decline in inventory was also due to lower accessions for YGs 1990 through 1995 and foretold that there would be insufficient numbers to meet requirements in the coming years. The slight RL inventory increase was due to the establishment of the FSO community, which shifted inventory from the URL to the RL. The Staff Corps inventory remained constant.

The new accession requirements for the Fleet Support (FSO) Community disrupted the lateral-transfer supply system. This disruption was due to the General Unrestricted Line community having been under accessed prior to the establishment of the FSO community in FY 1993-94. Additionally, the FSO community became a primary recipient of lateral transfers in 1995.

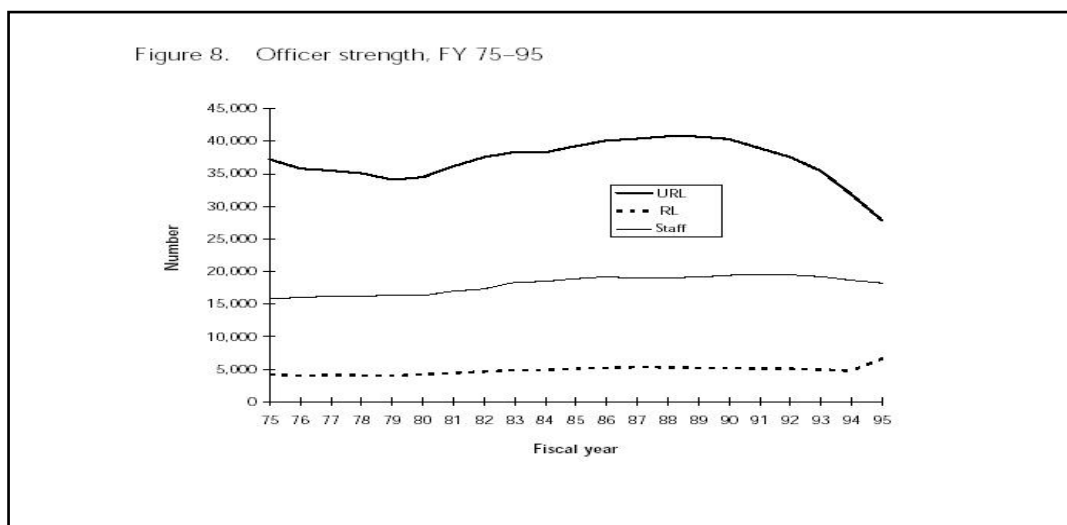


Figure 35. Navy Officer Strength between FY 1975 and 1995
From: Moore and Reese (1997)

In 1991 the Navy restricted the supply of officers who could redesignate to RL or Staff Corps by implementing a new *URL-Only* rule, which stated that all NROTC and USNA graduates must enter the URL. Also, the URL communities restricted the number of officers allowed to transfer out. The study indicated that Surface Warfare might bear the brunt of the new restrictions because most officer transfer requests originate in that community. Finally, since the drawdown of the URL predominantly affected junior officers, a glut of senior officers remained. Redesignating senior officers was not as desirable as redesignating junior officers and communities were forced to accept junior pay grade vacancies or to select senior officers to fill junior officer requirements.

M&R's analysis showed that younger officers were more desirable than senior officers for redesignation because they were a better fit with the Navy's "youth and vigor" standards. It was determined that approximately 6% of all officer accessions would move to the RL sometime in their career, rising to approximately 11% of aviators and 25% of Surface Warfare Officers who are past their ten-year career point. They also show that excessive accessions into the Surface Community just for the redesignation potential would not be a cost effective policy. The study concluded that the *URL-Only* policy would increase the demand for officer transfers and delay accessions for the RL and Staff communities by two to four years. It speculated that officers would depart the Navy sooner than personally desired if they could not transfer. Further, the study concluded that only about one-third of the applicants for transfer or redesignation were accepted.

A new BUPERS policy—put into effect in 1995—gave officers the opportunity to apply for redesignation for two communities in the same application. This was seen as a positive step because it improved an officer's chances for acceptance. Another proposal adopted at this time was to expand the EDO Early Select Program to other communities.

M&R found that officers with two years of service were most likely to transfer. This coincides with the period when officers attrite from their initial training. Over 25% of officers attrite from their warfare training pipeline. Of those, 60% redesignate to another community while the remainder separate from the Navy. Communities such as Cryptology and Intelligence willingly accepted training attrites.

Table 41 shows the historical transition patterns to the RL and Staff communities from the URL. Between 1975 and 1995, 3,201 officers transferred from the URL to RL or Staff communities. Of these, 44% were originally Surface Warfare accessions, 30% were aviation accessions, and 12% were submarine accessions.

Redesignation and Transfer Pattern	Percentage of Redesignations and Transfers
Surface to RL/Staff	44.0%
Pilot to RL/Staff	17.1%
NFO to RL/Staff	13.1%
Submarine to RL/Staff	11.6%
First URL to Second URL to RL/Staff	6.8%
URL to other to RL/Staff	5.5%
RL/Staff is Fourth Community	1.9%
All	100.0%

Table 47. Transition Patterns between URL and RL and Staff Communities
From: Moore and Reese (1997)

The M&R study indicates that moving officers early in their career into the RL and Staff communities is the best method of filling vacancies. It concluded that the pool of young officers willing and able to switch communities should be increased in the coming years. The following sections describe the statistical analysis conducted in this thesis.

B. DATA DESCRIPTION

In this thesis, the quantitative analysis examines the characteristics of officers who transfer and the effect of such transfers on officer retention and promotion to O-4. The data for this thesis is based upon matched Navy Officer Promotion History Files provided by BUPERS and officer loss files provided by the Defense Manpower Data Center. The file consists of 19,102 officers from year groups 1987 through 1991 who were commissioned into the URL, RL and Staff communities and tracked to the O-4 board. Individuals are identified by social security number and merged with O-3 and O-4 promotion board results and loss files through fiscal year 2001.

For this analysis, only officers who are commissioned as ensigns into the URL communities of SWO, SUB, Pilot (PIL), and NFO are included. The analysis omitted LDOs, CWOs, and officers in the Medical, Dental, JAG, Chaplain, SPECOPS and SPECWAR communities. After deleting observations with missing information, the sample is reduced to 15,047 officers.

This data allows us to track officers through separation or through 2001, the most recent year represented in the promotion board data, and allows us to follow transfers from the URL communities of SWO, SUB, PIL, and NFO into select RL and Staff communities. Community-specific data for officers commissioned into the URL include whether the officer qualified in the community prior to O-3 pay grade and whether the officer transferred before or after the O-3 pay grade. The file also includes indicators that show whether the officer remained on active duty to the O-4 pay grade and whether they were selected for in-zone promotion to O-4.

C. MODEL SPECIFICATION

This thesis uses logit models to analyze the relationship between selected explanatory variables and officer outcomes. The logit model is used because the dependent variables are binary. The logit model captures the non-linearity between the explanatory variables and the dependent variables.

D. VARIABLE DESCRIPTION

1. Dependent Variables

The three career outcomes analyzed in this thesis are: retention to the LCDR board (LCSTAY), the probability of laterally transferring from the URL to the RL and Staff communities (LAT), and the probability of promotion to LCDR (LCDRPROM). The LCSTAY variable indicates whether or not an officer stayed on active duty to the O-4 promotion board (LCSTAY = 1 if the officer stayed and LCSTAY = 0 if the officer left the Navy prior to the O-4 board). LAT indicates whether or not an officer redesignates from the URL into a RL or Staff community (LAT = 1 if the officer is URL and laterally transferred and LAT = 0 if the officer is not URL and did not laterally transfer). The LCDRPROM variable indicates whether or not an officer promoted in-zone to O-4

(LCDRPROM = 1 if the officer promoted to O-4 and LCDRPROM = 0 if the officer did not promote to O-4 pay grade).

2. Independent Variables

a) Demographics

Demographics are broken into two categories; sex and ethnicity. The variable FEMALE is a binary variable that indicates an officer's gender (FEMALE = 1 indicates the officer is female and FEMALE = 0 if the officer is male). The variables WHITE, AFRAMER, HISP, ASPI, and NATAMER are all binary variables that indicate an officer's ethnicity (WHITE = 1 indicates the officer is Caucasian; AFRAMER = 1 indicates the officer is African American; HISP = 1 indicates if an officer is Hispanic; ASPI = 1 if the officer is Asian Pacific Islander; and NATAMER = 1 if the officer is Native American).

b) Ensign Community Designators

The M&R study (1997) explored the transfer patterns from the URL to the RL and Staff communities between 1975 and 1995 and found that the SWO community had the highest percentage of officers who redesignated. This thesis will analyze the lateral transfer rates of all major URL communities as well as the retention and promotion rates for each receiving community. Four URL dummy variables are used to identify officers who were originally commissioned as ensigns into the SWO, SUB, PIL, and NFO communities.

c) Commissioning Source

Dummy variables are created for the major commissioning sources: Naval Academy (ACAD), NROTC contract (NROTC_C), NROTC scholarship (NROTC_S) and Officer Candidate School (OCS). The purpose of including these variables is to determine whether career outcomes are affected by commissioning program.

d) Prior Service Experience

A dummy variable is created for whether or not an officer completed any active enlisted service prior to being commissioned (PRIORSER): (PRIORSER = 1 if the officer was prior enlisted and PRIORSER = 0 if the officer was not prior enlisted).

Again, this variable is included to determine differences in career outcomes between those with and without prior enlisted service.

e) Commissioning Year

Dummy variables are created for the fiscal year in which officers are commissioned, COMMYR87 – COMMYR91. These variables control unobserved factors that change over time and that can affect retention behavior.

f) Promotion Year

Dummy variables are created for the FY that officers are reviewed for promotion to the O-4 pay grade, FY97 – FY01. These variables capture differences in advancement opportunity across promotion boards.

g) Community Groups

Dummy variables are created for three aggregated community designator groups. The nine RL and Staff communities are categorized into a technical (TECH), an administrative (ADMIN), and a business (BUS) group. This allows us to examine whether or not the LAT impact differs depending upon the receiving community. The technical skill (TECH) set includes officers from the AEDO, Oceanography and CEC communities. The Administrative skill (ADMIN) set includes officers from the GENADMIN, PAO, CRYPTO, FSO and INTEL communities. The Business skill (BUS) set includes officers from the Supply Corps community.

h) URL Qualifications

M&R (1997) recognize that many officers who do not qualify in their URL training choose to leave the Navy instead of transferring. This thesis will examine the lateral transfer rates of both officers who qualify and those who do not qualify in their warfare specialty prior to the LT board. URL qualifications (URLQUALT) is a binary variable that indicates whether an officer qualified in the original URL commissioning designator prior to the O-3 board (URLQUALT = 1 indicates the officer is qualified and URLQUALT = 0 if the officer is not qualified). Table 42 provides the names of the variables used in this thesis and the definitions and coding of each variable.

VARIABLE	DESCRIPTION
Dependent Variables	
LCSTAY	= 1 IF STAYED TO O-4 BOARD; = 0 OTHERWISE
LCDRPROM	= 1 IF PROMOTED TO O-4; = 0 OTHERWISE
LAT	= 1 IF TRANSFERRED; = 0 OTHERWISE
Demographics	
WHITE	= 1 IF ETHNICITY IS WHITE; = 0 OTHERWISE
AFRAMER	= 1 IF ETHNICITY IS AFRICAN AMERICAN; = 0 THERWISE
HISP	= 1 IF ETHNICITY IS HISPANIC; = 0 OTHERWISE
ASPI	= 1 IF ETHNICITY IS ASIAN PACIFIC ISLANDER; 0 = OTHERWISE
NATAMER	= 1 IF ETHNICITY IS NATIVE AMERICAN; 0 = OTHERWISE
FEMALE	= 1 IF SEX IS FEMALE; 0 = OTHERWISE
Ensign Community Designator	
SWO	= 1 IF DESIGNATOR IS SURFACE WARFARE; 0 = OTHERWISE
SUB	= 1 IF DESIGNATOR IS SUBSURFACE; 0 = OTHERWISE
PILOT	= 1 IF DESIGNATOR IS PILOT; 0 = OTHERWISE
NFO	= 1 IF DESIGNATOR IS NFO; 0 = OTHERWISE
Commissioning Source	
ACAD	= 1 IF COMMISSIONING SOURCE IS USNA; 0 = OTHERWISE
NROTC_C	= 1 IF COMMISSIONING SOURCE IS NROTC CONTRACT; 0 =
NROTC_S	= 1 IF COMMISSIONING SOURCE IS NROTC SCHOLARSHIP; 0 =
OCS	= 1 IF COMMISSIONING SOURCE IS OCS; 0 = OTHERWISE
Commissioning Year	
COMMYR87	= 1 IF COMMISSIONING YEAR IS 1987; 0 = OTHERWISE
COMMYR88	= 1 IF COMMISSIONING YEAR IS 1988; 0 = OTHERWISE
COMMYR89	= 1 IF COMMISSIONING YEAR IS 1989; 0 = OTHERWISE
COMMYR90	= 1 IF COMMISSIONING YEAR IS 1990; 0 = OTHERWISE
COMMYR91	= 1 IF COMMISSIONING YEAR IS 1991; 0 = OTHERWISE
Promotion Year	
FY97	= 1 IF PROMOTION YEAR IS 1997; 0 = OTHERWISE
FY98	= 1 IF PROMOTION YEAR IS 1998; 0 = OTHERWISE
FY99	= 1 IF PROMOTION YEAR IS 1999; 0 = OTHERWISE
FY00	= 1 IF PROMOTION YEAR IS 2000; 0 = OTHERWISE
FY01	= 1 IF PROMOTION YEAR IS 2001; 0 = OTHERWISE
Community Groups	
TECH	= 1 IF COMMUNITY GROUP IS TECHNICAL; = 0 OTHERWISE
ADMIN	= 1 IF COMMUNITY GROUP IS ADMINISTRATIVE; = 0 OTHERWISE
BUS	= 1 IF COMMUNITY GROUP IS BUSINESS; = 0 OTHERWISE
Prior Service Experience	
PRIORSER	= 1 IF OFFICER WAS PRIOR ENLISTED; = 0 OTHERWISE
URL Qualifications	
URLQUALT	= 1 IF QUALIFIED; 0 = OTHERWISE

Table 48. Variable Names and Description

E. DATA ANALYSIS

Before developing multivariate regression models to estimate the effects of the explanatory variables, this study uses the Chi-Square Test of Independence to determine if each explanatory variable and the selected dependent variable (career outcome) are associated. Frequency cross-tabulations are used to report the distribution of variable values used in this analysis. Chi-square tests examining the association between the explanatory variables and the dependent variables LCSTAY for the retention model and LCDRPROM for the promotion model include all transfers from the four major URL communities and commissioning sources into all URL, RL and Staff communities. For the transfer variable, Chi-Square tests examining the association between the explanatory variables and the dependent variable LAT include only transfers into select RL and Staff communities.

The retention Chi-square tests are listed in Table 43. The table shows that explanatory variables describing FEMALE and qualifications for SUB and PIL were not significant indicating no association between these variables and the dependent variable LCSTAY. All other variables indicated with an asterisk in Table 43 are significant at either the .01 or .05 level. Officers who transfer before the O-3 board stay in the Navy to the O-4 board at a rate of 36.4 %, whereas the retention rate of officers who transfer after the O-3 board increases is 69.9%. Of the variables describing ethnicity, AFRAMER has the highest retention rate of 42.2 % and ASPI has the lowest. The retention rates of officers commissioned through ACAD and NROTC_C are 44.4% and 43.5% respectively. Officers who are commissioned through OCS stay to the O-4 board at a rate of 7.9 percentage points lower than Academy graduates. Both Aviation officer communities have retention rates that are at least 23.2 percentage points higher than SWO and SUB retention rates. This percentage point difference may be a result of the much longer minimum obligated service of Aviation Officers.

Table 49.

VARIABLE	TOTAL	TOTAL STAYED	RETENTION RATE (%)	P-VALUE
LAT BEFORE O-3	1843	671	36.4	0.01*
NON - LAT BEFORE O-3	13204	5253	39.8	
LAT AFTER O-3	1001	700	69.9	0.01*
NON - LAT AFTER O-3	14046	5224	37.2	
WHITE	13721	5417	39.5	0.05*
AFRAMER	650	274	42.2	
HISP	356	129	36.2	
ASPI	293	95	32.4	
NATAMER	27	9	33.3	
MALE	14642	5757	39.1	0.40
FEMALE	405	167	41.2	
ACAD	3800	1687	44.4	0.01*
NROTC_C	604	263	43.5	
NROTC_S	6020	2287	38.6	
OCS	4623	1687	36.5	0.01*
SWO	5343	1466	27.4	
SUB	2435	632	25.9	
PILOT	4896	2625	53.6	
NFO	2373	1201	50.6	0.01*
SWO - URLQUALT	3471	1146	33.0	
SWO NON-QUALT	1872	320	17.1	0.38
SUB -URLQUALT	882	238	27.0	
SUB NON-QUALT	1553	394	25.4	0.70
PIL - URLQUALT	4020	2150	53.5	
PIL NON-QUALT	876	475	54.2	0.01*
NFO - URLQUALT	2092	1089	52.1	
NFO NON-QUALT	281	112	39.9	

Table 50.

Table 51. Retention to Grade O-4 Chi-Square Test Results
Asterisks indicate tests are statistically significant.

1. URL Retention Rates – Commissioning Source

This section analyzes retention rates of URL officers by commissioning source, original community designator, and commissioning year. In the early 1990s during the Navy's drawdown, new accessions were reduced, in particular from the NROTC contract (NROTC_C), AOCS and OCS programs, and the AOCS and OCS programs were combined. The four main commissioning sources used for this analysis are USNA, NROTC_C, NROTC_S and OCS.

The commissioning year groups represented in this sample are 1986 through 1991. Results from cross-tabulations of URL retention to the O-4 board by commissioning source are shown in Table 44. There were 3,800 USNA graduates who entered between 1987 and 1991. (The sample mean retention rate for USNA is based on commissioning years 1987 through 1991 since USNA accessions for 1986 were missing). The NROTC_S commissioning program was the largest source of URL officers with 6,020 accessions followed by OCS with 4,623 accessions. Though ROTC_S and OCS provided the URL with the largest number of officers from commissioning years 1986 through 1991, they had the lowest retention rates of the four sources.

The average retention rates for each source for this period were: USNA = 44.4 %, NROTC_S = 38%, NROTC_C = 43.5% and OCS = 36.5%. The mean retention rates indicate that USNA graduates stay to the O-4 board at a rate 7.9 points higher than OCS graduates and 6.4 points higher than NROTC_S graduates. NROTC_C accessions stay to the O-4 board at a rate 7 points higher than OCS accessions and 5.5 points higher than NROTC_S accessions. In commissioning year 1987 all commissioning sources experienced a lower than average retention rate. However, all sources, except OCS, experienced a gradual increase in retention between 1986 and 1990 followed by a decrease in 1991. In 1991, the retention rates decreased by approximately 18% for both ROTC_C and OCS accessions. This can be explained by the drawdown that occurred in the early 1990s, which targeted these two accession sources.

COMMISSIONING SOURCE	COMMISSION YEAR						5-Year Average (%)
	86	87	88	89	90	91	
USNA	N.A.	37.7	42.6	43.5	49.7	49.3	44.4
ROTC_S	38.1	33.5	35.9	38.3	44.0	41.3	38.0
ROTC_C	34.6	38.9	44.6	49.6	52.4	34.3	43.5
OCS	39.1	35.2	34.1	38.6	43.0	25.1	36.5

Table 52. URL Retention Rates by Commissioning Source (in %)

2. URL Retention Rates – Community Designator

This thesis recognizes that as of 2003, the SWO, SUB and AIR communities make up the majority (94%) of the URL community. The remaining six percent are found in SPECOPS, SPECWAR, and FSO, which do not significantly contribute to the SWO, SUB, PIL and NFO URL community designators during commissioning years 1986 through 1991.

The average accession rates for each designator community are: SWO = 35.5 %, SUB = 16.2 % and AIR = 48.3 % (PIL = 32.5 % and NFO = 15.7 %). The retention rates are shown in Table 45 for each of the four communities. The retention rates of officers staying to the O-4 board are: SWO = 27.4 %, SUB = 25.9 %, PIL = 53.6 % and NFO = 50.6 %. Though the SWO community experienced the highest proportion of new accessions, its retention rate is the lowest of the four URL communities. Retention rates for the designators steadily increased from 1987 through 1990 then decreased in 1991 with the exception of the PIL community, which continued to increase and the SWO community, which began to decrease in 1990. The NFO community experienced the largest percentage point decrease from 1990 to 1991 with a 10.8 percentage point change.

COMMUNITY DESIGNATOR	COMMISSION YEAR						5-Year Average (%)
	86	87	88	89	90	91	
SWO	29.9	26.5	28.3	30.3	27.6	22.6	27.4
SUB	30.3	24.6	25.9	26.6	28.5	22.7	25.9
PIL	41.8	46.0	48.8	51.8	64.5	67.9	53.6
NFO	50.5	46.8	48.7	49.0	60.5	49.7	50.6

Table 53. URL Retention Rates by Community (in %)

3. Promotion to Grade O-4 Chi-square Results

For the promotion Chi-square tests, explanatory variables describing FEMALE, transfers after the O-3 board and qualifications for SUB and PIL revealed no significant association with LCDRPPROM. All other variables indicated in bold print in Table 46 are significant at the .01 or .05 level. Officers who transfer before the O-3 board promote to O-4 at a rate of 62.7 %. Hispanics have the highest promotion rate of 70.5 % and ASPI has the lowest (55.8). Officers commissioned through ACAD have the highest promotion rates with a rate of 72.6 % and both NROTC accession sources have the lowest with a rate of 66.5 %. Pilots have the lowest promotion rates of the four communities while SUB officers have the highest (79.6 %).

VARIABLE	TOTAL	TOTAL PROMOTED	PROMOTION RATE (%)	P-VALUE
LAT BEFORE O-3	671	421	62.7	0.01*
NON - LAT BEFORE O-3	5253	3661	69.7	
LAT AFTER O-3	700	497	71.0	0.20
NON - LAT AFTER O-3	5224	3584	68.6	
WHITE	5417	3743	69.1	0.09*
AFRAMER	274	189	69.0	
HISP	129	91	70.5	
ASPI	95	53	55.8	
NATAMER	9	6	66.7	
MALE	5757	3966	68.9	0.87
FEMALE	167	116	69.5	
ACAD	1687	1224	72.6	0.01*
NROTC_C	263	175	66.5	
NROTC_S	2287	1521	66.5	
OCS	1687	1162	68.9	
SWO	1466	1060	72.3	0.01*
SUB	632	503	79.6	
PILOT	2625	1697	64.7	
NFO	1201	822	68.4	
SWO - URLQUALT	1146	853	74.4	0.01*
SWO NON-QUALT	320	207	64.7	
SUB -URLQUALT	238	195	81.9	0.25
SUB NON-QUALT	394	308	78.2	
PIL - URLQUALT	2150	1355	63.0	0.01*
PIL NON-QUALT	475	342	72.0	
NFO - URLQUALT	1089	749	68.8	0.43
NFO NON-QUALT	112	73	65.2	

Table 54. Promotion to Grade O-4 Chi-Square Test Results
Asterisks indicate tests are statistically significant.

4. Lateral Transfer Chi – Square Results

Tables 47 and 48 show the results from Chi-square tests for transfers before and after the O-3 board, respectively. For both sets of tests, the ethnicity and sex variables were significant at the .01 level. For the tests examining the association between the explanatory variables and transfers prior to the O-3 board, source and qualifications were also significant at the .01 level and the community variables were insignificant. Commissioning source variables were insignificant in the tests for transfers after the O-3

board and the variables for qualifications and community were significant at the .05 and .01 levels respectively.

For both tests, females have higher transfer rates than males. The transfer rate for females who transfer prior to the O-3 board is 7.6 percentage points higher than for males. Officers who transfer prior to the O-3 board and have qualified in their initial communities have transfer rates that are 13 percentage points lower than officers who do not qualify. Table 48 shows that very few people who qualify in their original URL designator (0.9 %) transfer (prior to O-3). By comparison nearly 14% of those who do not qualify in their designator transfer. These transfer rates differ from the lateral transfer rates of officers who qualify (5.5%) and transfer after the O-3. Officers who transfer after the O-3 board and who qualified in their initial communities have transfer rates that are within one percentage point of officers who do not qualify.

VARIABLE	TOTAL	TOTAL LT&R	TRANSFER RATE (%)	P-VALUE
WHITE	12605	537	4.3	.01*
AFRAMER	607	43	7.1	
HISP	329	26	7.9	
ASPI	267	22	8.2	
NATAMER	25	1	4.0	
MALE	13439	582	4.3	.01*
FEMALE	394	47	11.9	
ACAD	3514	146	4.2	.01*
NROTC_C	553	273	4.0	
NROTC_S	5434	22	5.0	
OCS	4332	188	4.3	
SWO	5097	104	2.0	.17
SUB	2087	74	5.6	
PILOT	4497	278	6.1	
NFO	2152	178	8.3	
URLQUALT	9902	84	.9	.01*
NON-QUALT	3931	545	13.9	

Table 55. Lateral Transfers before the O-3 Board Chi-Square Test Results
Asterisks indicate tests are statistically significant.

VARIABLE	TOTAL	TOTAL LT&R	TRANSFER RATE (%)	P-VALUE
WHITE	13524	687	5.1	.01*
AFRAMER	642	56	8.7	
HISP	352	25	7.1	
ASPI	290	18	6.2	
NATAMER	27	3	11.1	
MALE	14434	747	5.2	.01*
FEMALE	401	42	10.5	
ACAD	3729	201	5.4	.20
NROTC_C	593	35	5.9	
NROTC_S	5935	336	5.7	
OCS	4578	217	4.7	
SWO	5234	376	7.2	.01*
SUB	2409	100	4.2	
PIL	4866	198	4.1	
NFO	2326	115	4.9	
URLQUALT	10300	570	5.5	.07*
NON-QUALT	4535	219	4.8	

Table 56. Lateral Transfers after the O-3 Board Chi-Square Test Results
Asterisks indicate tests are statistically significant.

5. Transfer Rates Prior to O-3 Board by Community

This section examines transfer rates of URL officers into select RL and Staff communities from 1988 through 2001. Transfer rates are analyzed separately for transfers that occurred prior to the O-3 board and those that occurred after the O-3 board. This thesis only explores transfers from the four major URL communities and into select RL and Staff communities. The results from cross-tabulations of the transfer rates by community are shown in Tables 49 and 50. There were a total of 1,418 transfers with 629 occurring prior to the O-3 board and 789 occurring after the O-3 board. This thesis will first examine results from transfers that occurred prior to the O-3 board.

There were a total of 629 transfers that occurred prior to O-3 between 1988 and 1995. Table 49 identifies the frequency of URL officers who transferred before t

GAINING DESIGNATOR	LATERAL TRANSFERS FROM URL TO RL AND STAFF BEFORE O-3 BOARD								TOTAL TRANSFERS AND TRANSFER RATE (%)
	88	89	90	91	92	93	94	95	
GENERAL AVIATION	1	0	5	22	21	11	3	7	70 (11.1)
FSO	0	0	2	26	18	15	19	10	90 (14.3)
SUPPLY	0	2	3	18	25	48	41	60	197 (31.3)
A-EDO	0	5	5	8	18	20	17	10	83 (13.2)
CRYPTO	0	0	0	12	21	14	12	8	67 (10.6)
INTELL	0	1	0	21	13	20	22	17	94 (15.0)
PAO	0	1	0	0	0	0	0	1	2 (0.32)
OCEANOGRAPHY	0	0	0	6	3	7	4	6	26 (4.1)
TOTAL	1	9	15	113	119	135	118	119	629

Table 57. Transfers prior to the O-3 Board by Community

board for each year and indicates the number of transfers into each gaining designator. As shown in Table 49, the Supply Corp community received 31.3 % of all transfers and the PAO community received only 0.3 %.

6. Transfer Rates after the O-3 Board by Community

789 transfers occurred between 1990 and 2001. Table 50 shows that the FSO community received the highest percent of the transfers with 23.8 % followed closely by the A-EDO community with 23.1 %. The Supply community received the lowest percent of the transfers (4.5 %).

GAINING DESIGNATOR	TRANSFERS FROM URL TO RL AND STAFF AFTER O-3 BOARD												TOTAL #AND %
	90	91	92	93	94	95	96	97	98	99	00	01	
GENERAL AVIATION	1	16	20	20	24	20	13	20	9	5	10	2	160 (20.3)
FSO	1	3	23	17	1	5	4	26	23	82	3	0	188 (23.8)
SUPPLY	0	0	1	1	1	3	2	5	7	5	7	4	36 (4.5)
A-EDO	0	1	2	3	4	5	10	30	36	21	41	29	182 (23.1)
CRYPTO	0	0	0	0	1	3	0	11	8	10	4	8	45 (5.7)
INTELL	0	0	0	1	9	5	7	14	23	12	3	9	83 (10.5)
PAO	0	0	1	1	3	2	1	6	10	5	7	4	40 (5.1)
OCEANOGRAPHY	0	0	1	5	2	2	2	4	15	8	10	6	55 (7.0)
TOTAL	2	20	48	48	45	45	39	116	131	148	85	62	789

Table 58. Transfers after the O-3 Board by Community

F. SUMMARY

Analysis of the lateral transfer, retention and promotion rates for URL officers, as well as descriptive statistics and Chi-square results in this chapter, give some preliminary indication of the relationship between explanatory variables and the lateral transfer, retention and promotion outcomes. Officers who have qualified in their initial community are less likely to transfer prior to the O-3 board than officers who do not qualify. However, transfer rates do not differ much between qualified and nonqualified officers who transfer after the O-3 board. NFOs and PILs are more likely to stay to the O-4 board (due to extended service obligation if qualified) and the retention rate for SWOs was the lowest of the four URL communities. USNA accessions were more likely to stay and promote to the O-4 pay grade and SUB officers were more likely to promote.

While these descriptive statistics are useful, multivariate analyses will provide greater insight into the effectiveness of the LT&R process on retention and promotion outcomes.

G. MULTIVARIATE REGRESSION ANALYSIS

This thesis presents a quantitative analysis of the effect of lateral transfers on promotion and retention. The goal of the promotion and retention analysis is to determine the efficiency of the process. Are officers who transfer more likely, just as likely, or less likely to stay in the Navy and more likely, equally likely, or less likely to promote than those accessed directly into RL and Staff communities? If transfers are equally or more likely to stay and promote, then we can conclude that the process improved retention and promotion. If the lateral transfer source has an equal or higher yield rate of career officers, we can conclude this source to be as, or more, cost-effective than direct accessions.

All models include officers who were commissioned into the four major URL communities of SWO, SUB, PIL, and NFO who laterally transferred into specific RL and Staff communities as well as officers who were accessed directly into the RL and Staff communities. After omitting observations with missing information, the sample is reduced to 4,159 officers. Table 51 shows the means of variables used in this analysis.

This analysis groups RL and Staff communities into three community groups Business, Technical, and Administrative-- based on similar skill sets. The Business (BUS) grouping consists of Supply Corps officers, the Technical (TECH) community includes the AEDO, Oceanography, and the Administrative group (ADMIN) includes General Aviation, PAO, CRYPTO, and INTEL officers. The retention and promotion models are run and analyzed separately for each community group.

VARIABLE	Percentage
WHITE	86.6
AFRAMER	8.0
HISP	2.5
ASPI	2.5
NATAMER	0.2
ACAD	19.6
NROTC_C	0.4
NROTC_S	34.4
OCS	41.9
COMMYR87	18.4
COMMYR88	22.6
COMMYR89	23.7
COMMYR90	17.8
COMMYR91	14.0
FY97	7.3
FY98	10.7
FY99	9.6
FY00	10.7
FY01	8.4
GENAV	5.3
FLTSUP	20.7
SUPPLY	31.7
AEDO	8.5
CRYPTO	6.2
INTEL	11.2
PAO	1.2
OCEAN	2.8
CEC	12.1
FEMALE	22.6
PRIORSERV	9.7

Table 59. Mean (Percentages) of the Explanatory Variables Used in the Retention and Promotion Models

1. Business Community Group Logit Retention Model

The retention model for Business (Supply Corps) officers is estimated on a sample of 1,319 officers: 524 of these officers remained on active duty to the LCDR board and 795 left the Navy. The base case for this model is a male Caucasian officer who was commissioned in 1987 from the Naval Academy who did not have prior enlisted experience and was accessed directly into the Supply Corps.

Table 52 displays the results of the logit model. The overall model is statistically significant at the .01 level according to the Chi-square statistic. Table 52 indicates that the coefficients for NROTC_S, HISP, ASPI, NATAMER, COMMYR88 and LAT are not statistically significant at standard levels. The coefficients for NROTC_C, OCS, AFRAMER, COMMYR91, and PRIORSER are statistically significant at the .01 level, while the coefficients for COMMYR89, COMMYR90, and Female are statistically significant at the .10 level.

The results indicate that Supply officers from NROTC_C and OCS are more likely to stay to the O-4 board than USNA officers. The NROTC_S variable is statistically insignificant indicating no difference between USNA and NROTC_S graduates. African Americans are 17.1% more likely to stay to the O-4 board than Caucasians but there is no difference between Caucasians and the other ethnic groups. Officers commissioned in 1989 through 1991 are less likely to retain than officers commissioned in 1987. Female officers are 8.1% less likely to stay than male officers and Supply Corp Officers with prior enlisted service are 13.7% more likely to retain than officers who did not have prior enlisted experience. The insignificant coefficient of LAT indicates there is no difference in retention between those who enter the Business community directly and those who enter laterally.

PROBABILITY OF STAYING TO THE O-4 BOARD				
PARAMETER	ESTIMATE	P-VALUE	PREDICTED PROBABILITY	% CHANGE FROM BASE
NROTC_C	1.0725	0.0018	0.5928	26.0
NROTC_S	0.0940	0.6081	NOT SIGNIFICANT	
OCS	0.7586	<.0001	0.5154	18.0
AFRAMER	0.6812	0.0008	0.4960	17.1
HISP	0.3708	0.3493	NOT SIGNIFICANT	
ASPI	-0.0314	0.9389	NOT SIGNIFICANT	
NATAMER	1.1685	0.3650	NOT SIGNIFICANT	
COMMYR88	0.0210	0.9056	NOT SIGNIFICANT	
COMMYR89	-0.3259	0.0699	0.2645	-6.8
COMMYR90	-0.4159	0.0659	0.2473	-8.5
COMMYR91	-0.7049	0.0024	0.1975	-13.0
LAT	-0.0720	0.6697	NOT SIGNIFICANT	
FEMALE	-0.3948	0.0573	0.2513	-8.1
PRIORSER	0.5730	0.0016	0.4690	13.7
Probability of Staying: 0.3324				

Table 60. Business Community Group Logit Retention Model

2. Technical Community Group Logit Retention Model

The retention model for Technical community officers is estimated on a sample of 976 officers. 602 of these officers remained on active duty to the LCDR board and 374 left. The overall model is statistically significant at the .01 level. Table 53 indicates that all commissioning sources and ethnic groups, COMMYR88, COMMYR89, and COMMYR91 are statistically insignificant at standard levels. The coefficient for lateral transfer is significant at the .01 level, COMMYR90 and the female variable are significant at the .05 level and the coefficient of prior is significant at the .10 level.

The results indicate that there is no difference in retention between officers from the Naval Academy officers from the other commissioning sources. Results for all of the ethnic groups are statistically insignificant indicating no difference between Caucasians and the other ethnicities. Officers commissioned in 1990 are 10.5% less likely to retain than officers commissioned in 1987 and there is no difference in retention between officers commissioned in 1987 and those commissioned in 1988, 1989 and 1991.

The results for the effect of lateral transfers for the Technical community officers differ from the results for the Business community officers. For the Business retention model, there is no difference in retention between officers who laterally transferred and those who directly accessed into the community. The Technical retention model indicates that officers who laterally transferred into technical communities are 27.2% more likely to stay to the O-4 board than officers who were directly accessed. Similar to the females and prior service officers in the Business community, Technical community female officers are 12.9% less likely than male officers to retain and prior service are 12.6% more likely to retain than officers without prior service.

PROBABILITY OF STAYING TO THE O-4 BOARD				
PARAMETER	ESTIMATE	P-VALUE	PREDICTED PROBABILITY	% CHANGE FROM BASE
NROTC_C	1.0154	0.2267	NOT SIGNIFICANT	
NROTC_S	-0.2157	0.2874	NOT SIGNIFICANT	
OCS	0.1398	0.4774	NOT SIGNIFICANT	
AFRAMER	0.5251	0.1501	NOT SIGNIFICANT	
HISP	-0.1291	0.7640	NOT SIGNIFICANT	
ASPI	-0.0455	0.8989	NOT SIGNIFICANT	
NATAMER	-13.5438	0.9803	NOT SIGNIFICANT	
COMMYR88	-0.0659	0.7546	NOT SIGNIFICANT	
COMMYR89	-0.2281	0.2645	NOT SIGNIFICANT	
COMMYR90	-0.4248	0.0494	0.4175	-10.5
COMMYR91	-0.0706	0.7892	NOT SIGNIFICANT	
LAT	1.2626	<.0001	0.7948	27.2
FEMALE	-0.5214	0.0113	0.3941	-12.9
PRIORSER	0.5212	0.0771	0.6486	12.6
PROBABILITY OF STAYING: 0.5229				

Table 61. Technical Community Group Logit Retention Model

3. Administrative Community Group Logit Retention Model

The Administrative retention model is estimated on a sample of 1864 officers. 826 officers remained on active to the O-4 board and 1038 left the Navy. The overall model is statistically significant at the .01 level. Table 54 indicates that the coefficients for NROTC_S, OCS, HISP, ASPI, NATAMER, and FEMALE are statistically insignificant at standard levels. The coefficients for NROTC_C, all commissioning years, LAT, and PRIORSER, are statistically significant at the .01 and the coefficient for AFRAMER is statistically significant at the .05 level.

The results from this analysis indicate that NROTC_C officers are 14.9% more likely to retain than Naval Academy officers, but there is no difference in retention between Naval Academy officers and officers commissioned from NROTC_S and OCS. African American officers are 7.0% more likely to retain than Caucasian officers but there is no difference between Caucasians and other ethnic groups. Officers commissioned between 1988 and 1991 are more likely to retain than officers commissioned in 1997. Those officers who laterally transferred into Administrative communities are 6.1% more likely to stay than officers who were directly accessed. There is no difference between the retention of female and male officers. Officers who were prior enlisted are 20.5% more likely to retain than other officers.

PROBABILITY OF STAYING TO THE O-4 BOARD				
PARAMETER	ESTIMATE	P-VALUE	PREDICTED PROBABILITY	% CHANGE FROM
NROTC_C	0.6861	0.0030	0.4010	14.9
NROTC_S	-0.0292	0.8324	NOT SIGNIFICANT	
OCS	-0.2094	0.1500	NOT SIGNIFICANT	
AFRAMER	0.3425	0.0496	0.3220	7.0
HISP	-0.0014	0.9962	NOT SIGNIFICANT	
ASPI	0.2837	0.3947	NOT SIGNIFICANT	
NATAMER	-1.7146	0.1470	NOT SIGNIFICANT	
COMMYR88	0.8665	<.0001	0.4450	19.3
COMMYR89	1.0333	<.0001	0.4865	23.4
COMMYR90	0.9050	<.0001	0.4546	20.2
COMMYR91	0.6334	0.0002	0.3884	13.6
LAT	0.2994	0.0101	0.3126	6.1
FEMALE	-0.1039	0.3867	NOT SIGNIFICANT	
PRIORSER	0.9140	<.0001	0.4568	20.5
PROBABILITY OF STAYING: 0.2521				

Table 62. Administrative Community Group Logit Retention Model

4. Business Community Group Promotion Model

The promotion model for Business community officers in Table 55 is estimated on a sample of 525 officers who remained on active duty to be reviewed for promotion: 374 officers were promoted to LCDR and 150 were not. The base case for this model is a male Caucasian officer in the Supply Corp who was reviewed before the O-4 board in FY98 who did not have prior enlisted experience and was accessed directly into the Supply Corp. The overall model is statistically insignificant at all standard levels. The model indicates there is no difference in promotion between the dummy variables and the base case with the exception of the PRIORSER that is significant at the .01 level as indicated in Table 55. Supply officers with prior enlisted experience are 13.5% more likely to promote than non-prior enlisted officers.

PROBABILITY OF PROMOTING TO THE O-4 PAYGRADE				
PARAMETER	ESTIMATE	P-VALUE	PREDICTED PROBABILITY	% CHANGE FROM BASE
NROTC_C	-0.6797	0.2150	NOT SIGNIFICANT	
NROTC_S	-0.5156	0.1491	NOT SIGNIFICANT	
OCS	-0.2869	0.3850	NOT SIGNIFICANT	
AFRAMER	0.5825	0.1124	NOT SIGNIFICANT	
HISP	-0.4173	0.4798	NOT SIGNIFICANT	
ASPI	-0.4727	0.4847	NOT SIGNIFICANT	
NATAMER	12.8183	0.9827	NOT SIGNIFICANT	
FY88	-0.0568	0.8357	NOT SIGNIFICANT	
FY89	0.0808	0.8288	NOT SIGNIFICANT	
FY90	0.0957	0.7544	NOT SIGNIFICANT	
FY91	0.2813	0.4660	NOT SIGNIFICANT	
LAT	-0.2218	0.4491	NOT SIGNIFICANT	
FEMALE	-0.0287	0.9400	NOT SIGNIFICANT	
PRIORSER	0.9018	0.0056	0.8753	13.5
PROBABILITY OF STAYING: 0.7402				

Table 63. Business Community Group Logit Promotion Model

5. Technical Community Group Promotion Model

The promotion model for Technical community officers is estimated on a sample of 602 officers. 437 officers were promoted to LCDR and 265 were not. The overall model is statistically significant at the .01 level. Table 56 indicates that the coefficients for NROTC_C, NROTC_S, AFRAMER, HISP, NATAMER, FY98 through FY01, and FEMALE are statistically insignificant at all standard levels. The coefficient for LAT is significant at the .01 level, ASPI and PRIORSER at the .05 level and the coefficient for OCS is significant at the .1 level.

Officers commissioned through OCS are 10.6% less likely to promote than Naval Academy graduates, but there is no difference in promotion between Academy graduates and ROTC graduates. Asian Pacific Islanders are 28.5% less likely to promote than Caucasians, but there is no difference in promotion between Caucasians and the other ethnic groups. This analysis shows there is no difference in promotion between officers who appeared before the promotion board in 1987 and those who appeared between

PROBABILITY OF PROMOTING TO THE O-4 PAYGRADE				
PARAMETER	ESTIMATE	P-VALUE	PREDICTED PROBABILITY	% CHANGE FROM BASE
NROTC_C	0.9097	0.4067	NOT SIGNIFICANT	
NROTC_S	-0.2818	0.3256	NOT SIGNIFICANT	
OCS	-0.4532	0.0965	0.5667	-10.6
AFRAMER	-0.3754	0.3499	NOT SIGNIFICANT	
HISP	-0.3703	0.4867	NOT SIGNIFICANT	
ASPI	-1.1768	0.0151	0.3880	-28.5
NATAMER	0	0	NOT SIGNIFICANT	
FY98	0.0560	0.8684	NOT SIGNIFICANT	
FY99	0.3464	0.2729	NOT SIGNIFICANT	
FY00	0.2646	0.4258	NOT SIGNIFICANT	
FY01	0.5279	0.1501	NOT SIGNIFICANT	
LAT	0.6765	0.0020	0.8019	12.9
FEMALE	-0.4098	0.1920	NOT SIGNIFICANT	
PRIORSER	0.7811	0.0478	0.8180	14.5
PROBABILITY OF STAYING: 0.6729				

Table 64. Technical Community Group Logit Promotion Model

FY98 and FY01. Officers who laterally transferred into technical communities are 12.9% points more likely to promote than officers directly accessed into those communities. Officers with prior enlisted service are 14.5% points more likely to promote than officers without prior enlisted experience.

6. Administrative Community Group Logit Promotion Model

The promotion model for Administrative community officers is estimated on a sample of 826 officers. 527 officers were promoted to LCDR and 299 were not. The overall model is statistically significant at the .01 level. Table 57 indicates that the coefficients for NROTC_C, NROTC_S, AFRAMER, ASPI, NATAMER, promotion FY98 through FY00, and FEMALE are statistically insignificant at all standard levels. The coefficients for the OCS and LAT are significant at the .01 level and the coefficients for HISP and FY01 are significant at the .05 level. PRIORSER is significant at the .1 level.

The results from this analysis show that officers commissioned through OCS are 12% less likely to promote than Academy graduates. There is no difference in promotion

between officers from the Naval Academy and officers commissioned from the other sources. Hispanic officers from Administrative communities are 10.2% more likely to promote than Caucasian officers. There is no difference in promotion between Caucasian and other ethnic groups. Officers who appeared before the LCDR board in FY01 are 10% less likely to promote than officers reviewed in FY97. There is no difference in promotion for FY97 and the other FYs. Officers who laterally transferred are 13.8% less likely to promote than officers directly accessed into the Administrative communities. Officers who were prior enlisted are 4.5% more likely to promote than officers who were not prior enlisted.

PROBABILITY OF PROMOTING TO THE O-4 PAYGRADE				
PARAMETER	ESTIMATE	P-VALUE	PREDICTED PROBABILITY	% CHANGE FROM BASE
NROTC_C	-0.5278	0.1033	NOT SIGNIFICANT	
NROTC_S	-0.2430	0.2631	NOT SIGNIFICANT	
OCS	-0.7117	0.0026	0.7189	-12.0
AFRAMER	-0.1740	0.4727	NOT SIGNIFICANT	
HISP	1.1144	0.0494	0.9408	10.2
ASPI	-0.5692	0.2280	NOT SIGNIFICANT	
NATAMER	-13.3882	0.9779	NOT SIGNIFICANT	
FY98	-0.1894	0.4745	NOT SIGNIFICANT	
FY99	-0.1706	0.5299	NOT SIGNIFICANT	
FY00	-0.3558	0.1726	NOT SIGNIFICANT	
FY01	-0.6107	0.0216	0.7388	-10.0
LAT	-0.7961	<.0001	0.7015	-13.8
FEMALE	-0.1492	0.4448	NOT SIGNIFICANT	
PRIORSER	0.3764	0.1064	0.8836	4.5
PROBABILITY OF STAYING: 0.8390				

Table 65. Technical Community Group Logit Promotion Model

V. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

A. SUMMARY

The Lateral Transfer and Redesignation process selected over 2,280 officers for the RL and Staff Corps Communities between 1996 and 2003. Nearly 50% of the transfers came from the Surface Warfare Community. During the 1990s each URL Community initiated a cap or restrictions on the number of officers who could participate in the LT&R process; this caused significant vacancies for select receiving communities. An unplanned shock to the system caused by the dissolution of the FSO Community, and later by the formation of the HR and IP Communities, caused a decline in the supply of lateral transfers to the traditional gaining communities.

No significant changes are expected in future LT&R policies in terms of eligible grades, designations, or NOOCS. The near-term supply of redesignations will temporarily increase with YGs 1999 and 2000, then decrease due to reduced availability from the lower accessions in YGs 2003 and 2004. Results from the November 2003 LT&R Board indicated that gaining designators do not always receive all the officer supply they need; of the quotas available in fall 2003, only 47 % were filled. If this reduction of accessions continues into FY 2005, the reduced supply of redesignation officers may worsen. On the other hand, demand should decrease slightly as the HR Community achieves steady state and the EDO and IP Communities fill their O-4 vacancies. Overall, the Navy officer internal labor market is projected to remain in a steady state in the foreseeable future.

Even though there has been a recent rise in transfers, 305 selects per year are needed to meet current year requirements. Current end strength policies will remove a specific supply of officers, especially General Aviation Officers, prompting the need to find other sources of supply.

Table 58 shows where the authorized requirements for Surface Warfare officers roughly equals requirements for RL and select Staff. In some senses this point is where “supply” equals “demand”. The numbers in Table 58 are graphed in Figure 36.

YCS	1	2	3	4	5	6	7	8	9	10	11
Pay Grade	O-1	O-1	O-2	O-2	O-3	O-3	O-3	O-3	O-3	O-3	O-4
Requirements RL & Staff	321.5	321.5	311	311	517	517	517	517	517	517	512.8
Requirements of SWO	663.5	663.5	501	501	304.5	304.5	304.5	304.5	304.5	304.5	273.6

Table 66. RL and Select Staff Inventory Requirements as of 2003
From: Appendix C

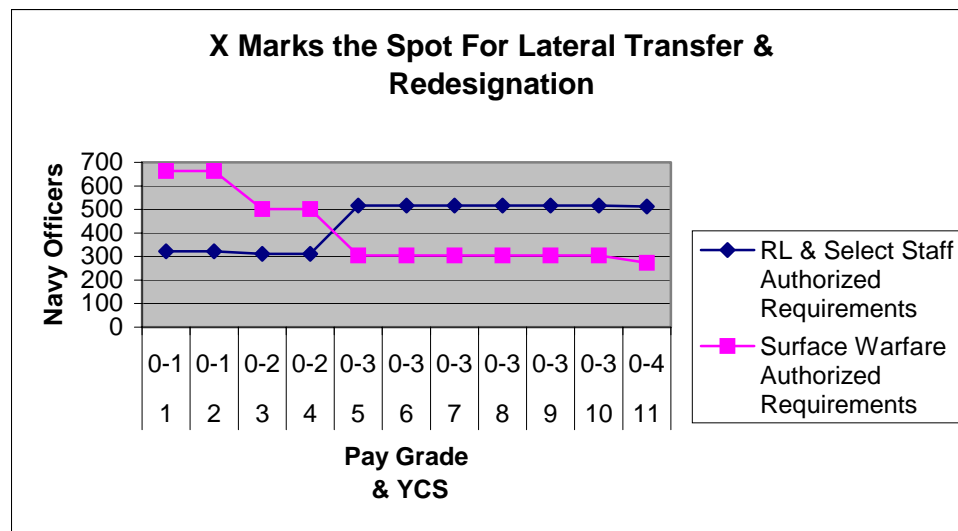


Figure 36. Supply and Demand Cross Reference
From: Appendix C

Currently, there are extremely large excesses in all URL communities, and in several RL and select staff communities, at the O-1 and O-2 pay grades. This has created a supply that exceeds requirements demand.

The results in this thesis are consistent with prior research on the scope and effects of lateral transfers (Moore and Reese, 1997). Table 59 shows that the Surface Warfare Community consistently provides 47% to 49% of all transfers in the 1975-1995 period and in the 1996-2003 period. However, the thesis shows that the number of laterals from the other (Non-SWO) URL communities has dropped since 1996. This may be the result of more stringent restrictions on redesignations for those URL communities.

URL Community	Moore and Reese (1997) 3201 observations	Thesis Research 2280 observations
	(1975 – 1995)	(1996 – 2003)
SWO	49%	47%
Pilot	17%	5.75%
NFO	13%	9.25%
SUB	11%	7.46%
Other Communities	N/A	30.5%
Other Actions	15%	N/A

Table 67. Redesignations by Community Source by Period

Source: Moore & Reese (1997) and Author

Note: “Other Communities” is comprised of FSO, Supply and Warfare Attrites.

“Other Actions” is comprised of those officers who have redesignated more than once.

B. CONCLUSIONS

There are currently enough officers in the Navy inventory to meet requirements but the distribution system needs to be improved. Warfare qualified transfer applicants possess invaluable Navy experiences. These officers choose to be retained and only the best and brightest should be chosen. The policy that requires USNA and NROTC graduates to enter the URL upon graduation has recently created to an overproduction of Surface Warfare Officers. Any restriction on the ability supply of Surface Warfare Officers to transfer would negatively affect career progression in the RL and select Staff communities.

1. Redistribution Issue

The officer corps has reached a current peak and policies have been implemented to shape the force. With the current (2004) excess supply of junior officers, proper distribution policies to match inventory to billets would improve efficiency and reduce manpower cost. Currently, policy does not provide sufficient opportunity for qualified officers to participate in the transfer process.

If it is important to have warfare-qualified officers in the RL and Staff communities, these officers will come from the Surface Community. The Surface Community will need to retain approximately 250 out of 708 officers for DH tours,

which allows for a 65% attrition rate due to either separation or redesignations. Out of the 65%, 44% of the expected attrition, approximately 200 officers, would be required to achieve the steady state supply.

The Surface Community accesses large amounts of officers for a four year period to meet current and future DH requirements. The training requirements are typically achieved in two years affording junior officers the opportunity to redesignate early in their career. The proper incentive might allow the Surface Community to cut accessions initially from 700 officers to 500, a 29% reduction. From this initial accession supply, 250 of the 500 officers would be needed for DH tours, which would be a 50% reduction in initial SWO requirements of Ensigns. However, this would require a retention rate of 50% for Surface DH and post-DH, which exceeds the historical retention rate of 24%.

The Aviation Community's annual training cap of 1,136 student aviators may continue to decrease with the introduction of reduced crew requirements of new aircraft, and the phased retirements of five types of aircraft (VF, VS, VQ, HC and HS). Also, infrastructure may be reduced with the Tactical Air Integration Plan with the United States Marine Corps (USMC) and the joint venture with the USMC and U.S. Air Force on the Joint Strike Fighter. As requirements decrease, the Aviation Community may be hard pressed to meet all of the community's manning requirements of 12 Carrier Strike Groups and 12 ARGs past 2015. Therefore, the Aviation Community may place greater restrictions on its officers in the latter part of this decade. For the Aviation Engineering Duty Officer Community (151X), it may be time to study the billet base match since billets at the O-3 pay grade have a 88% vacancy rate, which may be due to the non availability of non-aviation warfare qualified O-3s.

The Navy Surface force may remain at 130 surface ships. Surface Warfare has averaged a ratio of 5.83 officer accession per ship per year for the last 9 years. The current ratio for 130 ships is 5.44 accessions, and a moderate reduction to 115 ships would increase it to 6.16 officer accessions (based on new accessions of 708 officers). If there were a radical reduction to 85 ships, the ratio would jump to 8.33 officer accessions per ship, which may be unsupportable for proper warfare-qualification and career progression. An average ratio of 5.83 officers per ship could support the accession of

496 officers into the Surface Community per year. The ship reduction could support a reduction in SWO officer manning requirements but have an adverse impact on communities that depend on redesignation.

The RL and select Staff Communities have recently exceeded requirements by accessing too many new Ensigns. These communities also realize that the LT&R process does not always provide a perfect skill match. This mismatch at the Junior officer level, is not good for the Navy economically, and is not in the best interest or the career progression of those officers.

Even if the fleet is reduced, most RL and select staff requirements will remain the same. The main exception is the Supply Corps, which would lose approximately two billets per decommissioned ship. The Base Realignment and Closure Process could have minimal impact with current regionalization and innovation projects already in progress. Therefore, only radical approaches would greatly reduce the RL and select Staff requirements.

C. RECOMMENDATIONS

The Navy must recognize its initial training and other investments in its most highly qualified officers. It should be serious about decreasing resignations that occur due to a lack of desire to continue in their current community when other Navy requirements exist. N131, along with PERS-8, could become the honest brokers to ensure that officers with the proper qualifications, and desire to stay Navy, are afforded an opportunity to redesignate or transfer to the RL and Staff Corps.

1. Redistribution for Force-Shaping

When resignations are tendered, the officer should have an opportunity to express an interest in another community. Once that officer is released by the losing detailer, OCMs in communities in which the officer has expressed an interest may review the officer for potential selection. N131 can approve or disapprove the OCM's selection requests and the resigning officer is either redesignated or released from service. SECNAVINST 1210.5A, and MILSPERMAN Articles 1212-010 and 1920-200 could be

revised to support this WOBA method for Force-Shaping, which is an administrative redesignation action.

2. Recruit and Advertise from Within

This Option program allows an officer to exercise their option to redesignate WOBA upon achievement of a warfare qualification. To improve select community requirements, the Option Program should be expanded from the EDO and Oceanography Communities to the Cryptology, Intelligence and IP Communities.

OCMs could also use current OMF data containing officer undergraduate degrees, APCs, AQDs, SSPs, and NOBCs to recruit from a pool of talent. This pool could be refined with graduate education from the Naval Postgraduate School early in their career. These officers could then be intentionally made aware of their potential opportunity in a new community. This may or may not create interest in alternate career opportunities. Communities such as HR could require civilian certifications as well as warfare qualifications to refine the qualified pool of potential officers for their community. Another method for filling active duty community shortfalls in the O-4 pay grades is to advertise and recruit from the Reserves in community YG shortfalls.

A select number of officers who are commissioned from the USNA and NROTC may not be worldwide deployable due to being not physically qualified (NPQ). With new measures of readiness to include the Fleet Response Plan and the new metrics of the deployability of the force, it might be time to reconsider commissioning those officers directly into the RL or Staff Corps.

3. Revamp Surface Warfare Officers Continuation Pays and Bonuses

It may be time to expand the SWOCP for Surface Warfare LTjgs with 2 YCS. This change would maintain a guaranteed income stream for junior SWOs. The SWOCP could be increased to incentivize a SWO to accept a DH tour in response to requirements. At an annual DOD composite rate for O-1s of \$68,000, a reduction of 200 O-1 Surface Warfare Officers in training would save \$13 million in the first year. The savings alone would allow for over \$54,000 a year in a bonus for each of the 250 DHs, and still save money for the Navy. A higher bonus might entice more SWOs to stay and create a larger

supply of transfers. The cost of paying and extending a higher SWOCP could translate into fewer officer accessions. This would factor in the cost of undergraduate education, permanent change of station moves, health care, and retirement accruals cost. Higher SWO retention would allow more officers to redesignate, thus filling vacancies and removing the distortion of authorizations.

4. Administrative Policies

In regard to Selection Board cost, electronic submission of applications to PERS-801G would allow detailers and OCMs to view applications without mailing. This change would eliminate mailing costs and save time in reviewing efficiencies.

a) Administrative Updates

The following Regulations should be updated:

- a. Navy Regulations promulgation letter Section 6011 to reflect correct Section.
- b. Update NAVPERS 15839I Volume I Part A Section 2 and move the 1200 Community from the Unrestricted Line to the Restricted Line.
- c. Update SECNAVINST 1400.1A Officer Competitive Categories for the Active-Duty Lists of the Navy and Marine Corps to reflect the Special Duty Officer Communities of HR & IP,
- d. Update MILPERMAN Article 1212-010 to include the HR & IP Communities and remove the Fleet Support Officer Community.
- e. Update MILSPERMAN Article 1610-020 providing greater guidance for the handling of General Aviation Officers disenrolled from aviation training programs.

b) Procedural Efficiencies

OCMs should post LOS graphs on the PERS-801G In-service Procurement and Lateral Transfer and Redesignation website each FY and update it after each Fall and Spring Board to show current inventory and requirements. The NAVADMIN Message that provides amplifying guidance to MILSPERMAN Article 1212-010 should be uniformly formatted for all gaining and losing communities to include what is potentially waivable by Board Members if authorized in the Requirements Letter. PERS-801G should have the authority to removed fatally flawed packages not in accordance with Article 1212-010 to improve the efficiency of board

proceedings (an application from an ENS who will not promote prior to the board- therefore not eligible, missing transcripts and APC-which precludes proper board determination).

c) Incorporate Technology

Application packages should be digital and use the Officer Data Card as the preliminary basis of package contents for one of the 130 Selection Boards performed each year. An applicant signs onto BUPERS ACCESS, selects the Lateral Transfer Redesignation option and the new EMPRS system queries database for “Alive versus Static Data”, which facilitates a transactions from the member’s “account.” Then the member is allowed to submit via Bupers ACCESS for the CO’s Endorsement if the account is up to date. If, prior to the submission for the CO’s Endorsement, a member is actually qualified and there is a system conflict, an annotation can be made in the remarks section and the member can override automatic warnings to submit to their CO. The endorsement and correspondence containing additional information can also be sent electronically with the application.

Electronic submission reduces time and cost of package movement and the ability of the EMPRS system to flag abnormal Physical Standards or a negative Promotion Recommendation. An automatic announcement of record review, information required if necessary, board in session, board conclusion, and results released could be sent to the applicant and command for a timely decision by the applicant.

D. FUTURE RESEARCH

This study points to the following areas for further research.

- (1) The Navy should conduct a cost benefit analysis of the impact of an expanded SWOCP at the O-2 pay grade. The analysis should include the retention effect, the effect on lateral transfers, and the cost savings.
- (2) The Navy should alternative commissioning policies that might allow USNA and NROTC graduates to immediately join the RL and Staff Corps when commissioned.
- (3) The Navy should conduct an analysis of the impact that potential decreases in aircrews will have on supporting future aviation officer

requirements in the fleet, training commands, staffs, and procurement programs.

- (4) The Navy should conduct a study of which O-1 and O-2 billets in the RL and select Staff communities are required that can be converted to the senior enlisted force.
- (5) The Navy should review how training attrites of the late 1990s and early 2000s who redesignated performed in their gaining communities. These results should be compared to those of the Center for Naval Analyses study (Moore and Reese, 1997).

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APPENDIX A. TERMINOLOGY AND DEFINITIONS

Applicant – An officer or Chief Warrant Officer who applies, or who is considered without making formal application for transfer or redesignation. (SECNAVINST 1210.5A)

Active Duty List – A publication of all regular and reserve officers on active duty in accordance with Title 10 U.S.C. (NAVPERS 15018)

Career Force – A member with six or more years of active duty service.

Competitive category - Department of the Navy policy establishes officer competitive categories to provide for separate promotion consideration and career development of groups of officers with related education, training, skills and experience needed to meet Navy or Marine Corps mission objectives. (SECNVA INST 1400.1A), See Table A-1.

Designator – Navy Personnel Command (NAVPERSCOM) assigns a designator for administrative purposes to each officer at the time of their appointment to reflect what the officer is qualified to perform. See Appendix D. (MILSPERMAN Article 1212-010), (NAVPERS 15389I Volume I).

End Strength -The number of members authorized to be in any of the Armed Forces in a component, a branch, a grade, or in any other category of the Armed Forces as of 30 September.<http://www.bupers.navy.mil/mpt/glossary.htm>

Force-Shaping – Matching inventory to authorized billets in support of valid requirements.

Lateral Transfer – Accepting a different job within the same level or grade. The term “lateral” is not defined or found in Navy instructions or terminology even though it is referred to in MILSPERMAN Article 1212-010 and used in NAVADMIN Messages. web.mit.edu/personnel/www/compensation/lattran (30 January 2004)

Line of the Navy – Officers in the line of the Navy includes officers in the grade of Ensign and above in competitive categories. See Table 60.

Designators	Competitive Category
11XX/12XX/13XX	Unrestricted Line Officer
120X	Special Duty Officer (Human Resource Officer)
14XX	Engineering Duty Officer
150X	Aeronautical Engineering Duty Officer
151X	Aeronautical Engineering Duty Officer (Aeronautical Engineering)
152X	Aeronautical Engineering Duty Officer (Aviation Maintenance)
160X	Special Duty Officer (Information Professional)
161X	Special Duty Officer (Cryptology)
163X	Special Duty Officer (Intelligence)
165X	Special Duty Officer (Public Affairs)
170X	Special Duty Officer (Fleet Support)
180X	Special Duty Officer (Oceanography)
61XX/62XX/63XX/64XX/65XX	Limited Duty Officer (Line)
310X	Supply Corps officer
510X	Civil Engineer Corps officer

Table 68. Navy Officer Competitive Categories for Officers of the Line and Select Staff Corps

From: SECNAVINST 1400.1A.

Officer Designator Code- Officer designator codes are four-digit numbers used to group officers by category for personnel accounting and administrative purposes and to identify the status of officers. The first three digits identify the categories in which officers are appointed and/or designated. The fourth digit identifies the status of the officers within the various categories. A list arranged by the first three digits of the officer designator code, its description, and the translation of the fourth digit is included in Appendix D. (NAVPERS 15389I Volume I)

Officer Community Manager (OCM) - Is assigned by the CNO to represent the special interests of and provide management advice for the respective specialty categories. Specific responsibilities are assigned in OPNAVINST 1210.2 series. OCMs are contained in the N131 office code but were previously known as PERS-2. (NAVPERS 15389I Volume I)

Officer Program Authorization (OPA) – Billets that have been authorized for FY funding by Congress.

Redesignation- The assignment of a different designator within the same competitive category for duty in different line competitive categories. The designation of a Regular or Reserve officer in the line of the Navy into a different line competitive

category or in the same competitive category with a different specialty. (SECNAVINST 1210.5A), (MILSPERMAN Article 1212-010)

Regular Officer – An officer of the Regular Navy on the Active-Duty List serving under a permanent appointment in a grade above Chief Warrant Officer, W-4. (SECNAVINST 1210.5A)

Reserve Officer – An officer on the Active-Duty List, on Active Duty for the training and administration of the Reserves (TAR), serving under a permanent appointment in a grade Above Chief Warrant Officer, W-4. (SECNAVINST 1210.5A)

Restricted Line. Officers of the line of the Regular Navy and Naval Reserve who are restricted in the performance of duty by having been designated for aviation duty, engineering duty, aerospace engineering duty, or special duty. See Appendix D. (NAVPERS 15389I Volume I)

Special Duty Officer (SDO)- An officer belonging to a community in the Restricted Line

Staff Corps – A corps of officers established to meet the mission objectives of the Department of the Navy by providing for the administration and accomplishment of selected functions best performed by specialist in professions requiring specialized education, training and experience. See Appendix C. (SECNAVINST 1301.4)

Training and Administration of Reservist (TAR) / Full Time Support (FTS) – An officer of the Naval Reserve on Active Duty other than Active Duty for Training, but not on the Active-Duty List designated for the Training and Administration of the Naval Reserve under Section 678 of Title 10 United States Code. (SECNAVINST 1210.5A)

Transfer – When an officer of the line of the Navy moves to/from the Regular Navy to the Reserve status or to/from the Regular Navy to the staff corps. (SECNAVINST 1210.5A)

Unrestricted Line. Officers of the line of the Regular Navy and Naval Reserve who are not restricted in the performance of their duty. See Appendix D. (NAVPERS 15389I Volume I)

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APPENDIX B. GOVERNANCE AND OFFICER PROGRESSION

A. GOVERNANCE FOR THE LATERAL TRANSFER AND REDESIGNATION PROCESS

Congress passed U.S.C. Title 10, Section 6011, which governs all persons in the Department of the Navy. The Secretary of the Navy has published Navy Regulations based on U.S.C. Title 10 and Chapter 1, Statutory Authority for United States Navy Regulations, contains Article 0105, *Issuance of Directives by Other Officers and Officials*. Article 0105 states, “Responsible officers and officials of the Department of the Navy may issue, or cause to be issued, directives concerning matters over which they exercise command, control or supervision, which do not conflict with, alter or amend these regulations.” Navy Regulations were used to create the Naval Military Personnel Manual, NAVPERS 15560D (also known as the MILSPERMAN). The manual contains policy, rules, and practices for the administration of Navy personnel. Navy Personnel Command (NAVPERS) Directives, Publications and Printing Division, PERS-013, is responsible authority for publishing the MILSPERMAN for the Chief of Naval Personnel (CNP)—also known as the Deputy Chief of Naval Operations (Manpower and Personnel), (DCNO) N-1. MILSPERMAN Article 1212-010, *Lateral Transfer and Change of Designator Codes of Regular and Reserve Officers*, assigns responsibility to NAVPERS In-Service Procurement and Transfer/Redesignation Section, PERS-801G, for sponsoring the Lateral Transfer and Redesignation Board. PERS-801G was recently redesignated 4801G.

Within the Navy, additional instructions and publications establish the procedures to determine manpower requirements as well as In-Service Procurement and Transfer/Redesignation Process. Under Title 10 U.S.C. Section 621, the Secretary of the Navy “Shall establish competitive categories for promotion.” (Categories are shown in Table 1.) The Navy uses officer personnel designators to create and define the categories shown in Appendix C. CNO Staff, Director, Military Plans Personnel and Policy Division, N13, promulgates the instruction, which governs designators in the Manual of Navy Officer Manpower and Personnel Classifications, NAVPERS 15839I, Volume I,

Major Code Structures. The Navy Manpower Analysis Center (NAVMAC) is the management control authority for Navy Officer Occupational Classification System (NOOCS). The occupational classification sets policy guidance and system control and is based on Chief of Naval Operations Instruction (OPNAVINST) 1210.2B. The NOOCS consists of four major subsystems. This thesis focuses on the subsystem of *Designator/Grade Structure*, which defines designators and pay grades that provide a framework for officer career development and promotion.

The component of N13 (OPNAV Plans and Policy Division) that manages officer policy is N131, which consists of Officer Community Managers (OCMs). Prior to the 1998 reorganization, this office was known as the Assistant Chief of Naval Personnel (ACNP) for Military Personnel Policy and Career Progression (PERS-2). Officer Accession Plans (N131D) is responsible for officer accession programs and policies, and for SECNAVINST 1210.5A, *Transfer and Redesignation of Officers in the Navy*. This instruction specifies the procedures for officer transfers between Regular Navy, Naval Reserve, TAR/FTS, and Staff Corps. Qualified officers may also redesignate for duty in different line competitive categories. N131D is responsible for announcing the submission of applications for redesignation to PERS-801G, which is designated as the LT&R Board Sponsor, in accordance with MILPERSMAN Article 1212-010 via the NAVADMIN Message. DCNO and N1 provide the Precept and Supplemental Guidance to convene the selection board to consider officers for lateral transfer/redesignation in accordance with DOD Instruction 1320.14, *Commissioned Officer Promotion Program Procedures*. This instruction provides the methodology on how to conduct the selection board. N13 provides the Requirements Letter, which contains Navy and participating OCM requirements for accepting and restricting the movement of qualified officers. These guide selection board members in selecting the most fully qualified applicant for their particular community based on available quotas.

B. GRADES AND DESIGNATORS

OCMs use this NAVPERS 15839I in their analysis of current and future officer requirements while managing their manpower inventory-to-billet ratios. The Length of Service (LOS) graph for each community contains specific officer grades from Ensign (ENS) through Captain (CAPT)—grades are based on officer YG cohorts. Figure 37 is an example of the Surface Warfare Community LOS graph. The OPA sets the authorization for each community's billets. Theoretically, there should be a perfect match between inventory and billets to prevent or mitigate overages and to fill shortages in a particular LOS cell. Greater scrutiny is paid to the controlled grades of Lieutenant Commander (LCDR), Commander (CDR), and CAPT so as not to exceed OPA and violate DOPMA and the Congressional Defense Authorization Act guidelines for that FY.

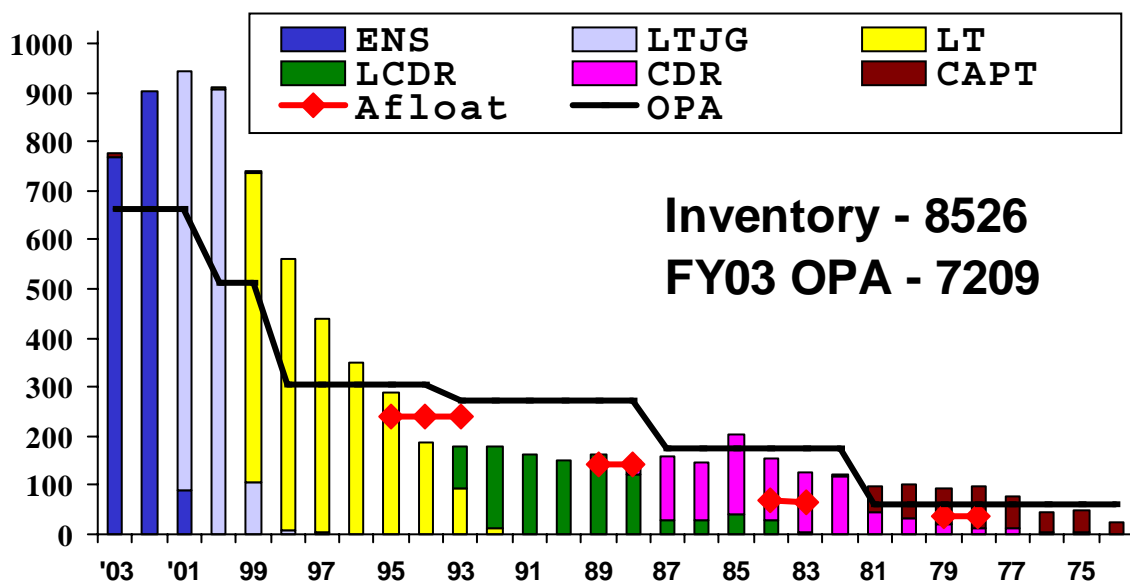


Figure 37. Surface Warfare Officer Community LOS Graph
From: Surface Warfare Community Manager Homepage (08 March 2004)

All billets in the Navy are justified based on experience and specialization required and communities must be structured in a manner to develop junior officers, either through initial accession or redesignation into the community's senior officers. The LOS graph in Figure 37 shows the most billets at the junior level, which quickly decreases at the senior levels. Even though the billets are significantly reduced, to groom, retain, and retire senior officers in the control grades above O-4 is very

expensive. Congress passed legislation in DOPMA, which is incorporated into Table 61 that shows Grade, Pay Grade and Abbreviation and most importantly Promotion Timing and Opportunity.

Grade	Pay Grade	Abbr.	Promotion Timing	Promotion Opportunity
Captain	O-6	CAPT	22 (\pm 1) years*	18%
Commander	O-5	CDR	16 (\pm 1) years*	41%
Lieutenant Commander	O-4	LCDR	10 (\pm 1) years*	66%
Lieutenant	O-3	LT	4 years	82%
Lieutenant (junior grade)	O-2	LTJG	2.0 year	96%
Ensign	O-1	ENS	Commissioned	From Commissioning

Table 69. Officer Grades, Pay Grade, Abbreviations and Promotion Timing and Opportunity
From: NAVPERS 15839I VOL I and DOPMA¹⁴

For the purpose of this research, Table 62 is the rank to YG reference point to determine where officer YGs should be at in their normal promotion progression.

Grade	ENS	LTjg	LT	LCDR	CDR	CAPT
YG	2002-2003	2000-2001	1995-1999	1990-1994	1989-1984	1983 & Senior

Table 70. YG to Grade Correlation for this Research
From: NAVPERS 15018, Register of Commissioned and Warrant Officers of the Active- Duty List

¹⁴ Note: Approximate time for promotion and duration in grade according to DOPMA. This does not include selection for promotion because, once selected, the actual promotion may occur in a few months or over a year later. Formerly this was based on grade and seniority in the promotion zone for promotion.

C. NAVY OFFICER OCCUPATIONAL CLASSIFICATION SYSTEM (NOOCS)

Under Title 10 U.S.C. Section 621, the Secretary of the Navy, “Shall establish competitive categories for promotion.” The Navy uses officer personnel designators for this purpose and OPNAVINST 1210.2B, *Navy Officer Occupational Classification System* (NOOCS) is used to identify skills, education, training, experience and capabilities related to both officer personnel and manpower requirements and is the primary reference for NAVPERS 15839I. This system consists of code structures that form the basis for officer manpower management and officer personnel procurement, training, promotion, distribution, career development and mobilization. N13 also develops and monitors policies concerning military personnel programs dealing with officer professional/career development, utilization and promotion plans.

The NOOCS has five subsystems that describe the requirements for a specific billet shown in Table 63. Billets are then authorized in the OPA, which creates authorizations and the required inventory to fill them. The Navy codes billets for specific Designators (DESG) to establish ownership of a particular billet. This is where the billet base is captured on the LOS graph. The Grade (GR) shows the particular level of experience or scope of responsibility required to fill the billet. The Subspecialty (SSP) and Additional Qualification Designation (AQD) give additional requirements to fill or the ability to gain specialize experience within a billet. The Navy Officer Billet Classification (NOBC) gives a generic description of a billet in which all officers can understand.

(1) The Designator (DESIG) structure identifies primary specialty qualifications, associated legal and specialty categories and competitive categories for promotion.
(2) The Grade (GR) structure identifies occupational levels associated with the scale of naval officer pay grade and rank.
(3) The Subspecialty (SSP) structure identifies postgraduate education (or equivalent training and/or experience) in various fields and disciplines
(4) The Navy Officer Billet Classification (NOBC) structure functionally describes general occupational duties.
(5) The Additional Qualification Designation (AQD) structure identifies additional qualifications and skills not included in the other code structures.

Table 71. NOOCS Subsystems/Code Structures
From: OPNAVINST 1210.2B, NOOCS

D. OFFICER PROGRESSION OVERVIEW

The supply of officer accessions are projected across the Future Year Defense Plans by seven significant commissioning sources: USNA, NROTC, OCS, Enlisted Commissioning Program, Direct Procurement, Student Option for Medical and JAG, and LDO/CWO program. Since USNA and NROTC have the longest through put, four years, the other programs can be adjusted annually to meter the amount of commissioned officers needed for a particular fiscal year. OCS provides the greatest flexibility to surge or reduce the flow of Officer Candidates (OC) for a specific officer community need.

Currently, OCS is used to fill short falls in the URL. Primarily, however, OCS provides mostly officers for RL communities that have ENS billets and the Supply and CEC Corps Communities. The other Staff Corps officers attend the OIS and these communities are not open to redesignation or transfer. Since OCS can be adjusted each fiscal year, the Commander Navy Recruiting Command (CNRC) is responsible for the officer supply to OCS, while Naval Education and Training and the Naval Academy are responsible for NROTC and USNA admissions, respectively.

After requesting, qualifying, and being selected and commissioned in the active Naval Reserve, an officer is placed on the Active-Duty List for a specific URL community. The new URL officer is assigned a training designator for their particular

community—as listed in Appendix D— 116X, 117X, 137X, or 139X. An officer receives warfare specialty training and is given a specified amount of time to qualify in that specialty, typically two years. Once qualified, their designator is administratively switched to indicate their warfare qualification. The officer is then eligible to pursue redesignation or transfer, to another community if their current community has not placed additional stipulations on their service.

In October 1996, Title 10, U.S.C. Section 532, was changed so that officers would receive a Reserve (USNR) vice Regular (USN) commission. This policy change was a result of draw down decisions that caused highly qualified USNR officers to be released from active duty over marginally qualified Regular officers. The change allowed for greater selectivity in retaining the best fully qualified officers for the career force. Current policy involves an Augmentation Selection Board screening for Lieutenants (LT) after five years of service for transfer from a Reserve to a Regular commission. Augmentation occurs if an officer has completed their required warfare qualification or other professional certifications, maintained body weight and physical standards, and is in the promoteable recommendation category as recorded on their annual fitness report.¹⁵

Augmentation in the Navy allows a LT to become USN, which potentially entitles an officer to a full career of at least 20 years based on promotion to LCDR, or at the very least, Involuntary Separation Pay if the officer has greater than six years of service. The greatest distinction between LT and LCDR is that the LCDR can remain on regular active duty until eligible to transfer to the Fleet Reserve upon completion of 20 years of service, even if they are in a Failure of Selection (FOS) status to the grade of CDR. A LT is involuntarily separated from the Navy after FOS at approximately 12 YCS in accordance with SECNAVINST 1920.7A.

Through Selection Board action Navy policy allows officers, in particular LTs, to continue on active duty for three-year periods but not to exceed 17 years of service if they are in a FOS status according to U.S.C. Title 10 Section 632, DOD Directive 1320.8, SECNAVINSTs 1920.7A and 1412.8. This policy is used to manage communities and

¹⁵ Different sections of Title 10 U.S.C. and Navy instructions govern the policies and administration of the two officer categories to include SECNAVINST 1210.5A and MILSPERMAN Article 1131-020.

officer group shortfalls and excesses. This policy may be used in conjunction with continuing FOS officers and retaining training attrites to manage end strength numbers in particular designators, officer groups, or officer end strength

APPENDIX C. 2003 OFFICER PROGRAM AUTHORIZATION AND FY 2004 ACCESSION PLANS (N131)

COMMUNITY	0-7	0-6	0-5	0-4	0-3	0-2	0-1	W-4	W-3	W-2	W-1	W-0	DELTA
FSO	3	0	54	0	81	92	0	92	0	0	0	0	236
SWO	53	81	28	469	530	61	916	1049	133	2283	1827	486	6203
SWO T 116x	0	0	0	0	0	0	0	100	513	25	488	1710	6203
SUB	33	43	10	279	266	7	438	507	69	563	776	213	2323
SUB T 117x	0	0	0	0	0	0	0	0	0	0	0	0	2468
SPEC WAR	3	3	0	36	31	5	67	70	3	186	189	3	485
SPEC WAR T 118x	0	0	0	0	0	0	0	0	0	0	0	0	1299
SPEC OPS	0	0	0	35	23	12	49	51	2	84	123	39	477
SPEC OPS T 119x	0	0	0	0	0	0	0	0	0	0	0	0	77
AV GEN 130x	0	0	0	1	0	1	1	0	1	83	93	0	237
AV PILOT 131x	46	44	2	392	302	90	1023	862	161	2899	3156	267	393
AV PILOT 132x	18	42	24	252	269	17	686	537	149	1242	1632	390	7058
AV NFO T 137x	0	0	0	0	0	0	0	0	0	0	0	0	329
AV PILOT T 139x	0	0	0	0	0	0	0	0	0	0	0	0	342
SWO(1000/1020/1050)	0	58	0	247	247	0	328	325	0	513	513	0	678
SUBS(1000/1020/1050)	0	29	0	129	129	0	169	169	0	257	257	0	512
S OPS (SWO 1000/1050)	0	0	0	0	0	0	0	0	0	0	0	0	762
AV (130x/1000/1020/1050)	0	86	86	0	546	546	0	963	963	0	1102	1102	19
AVIATION Total	64	86	22	645	571	74	1710	1399	311	2410	2063	347	3604
HR 120x	1	1	0	27	37	10	98	128	30	157	164	7	129
HR 120x NUC Engineer	0	0	0	0	0	0	0	0	0	0	0	0	449
HR 120x NUC Instructor	0	0	0	0	0	0	0	0	0	0	0	0	567
EDO	9	20	11	124	117	7	231	236	5	287	317	30	118
AEDO-AMDO 1500	5	5	5	57	0	0	0	0	0	0	0	0	101
AEDO 151x	0	5	23	61	38	133	4	108	119	11	6	51	83
AMDO 152x	0	2	10	27	17	89	86	3	120	147	27	130	35
ADO 154x	0	0	0	0	0	4	2	2	0	6	6	0	118
IP	1	1	0	26	35	9	90	109	19	152	206	54	828
CRYPTO	3	4	1	38	48	10	111	109	2	190	211	21	62
MER MARINE	0	0	0	0	0	0	0	0	0	0	0	0	270
INTEL	4	6	2	81	82	1	185	189	4	303	365	62	373
PAO	1	2	1	17	21	4	36	44	8	58	60	2	475
OCEANO	1	1	0	33	34	1	80	82	2	129	151	22	506
HR (1000)	0	0	0	2	2	0	16	16	0	0	0	0	4
RL Total	25	42	17	436	462	26	1057	1122	65	1504	1746	242	1360
MC (Doctor)	13	21	8	526	379	147	640	521	119	1371	1319	52	4453
DC (Dentist)	0	2	2	280	261	19	272	225	47	206	349	143	5879
MSC (Med Svc Corps)	0	0	0	159	182	23	343	327	16	608	593	15	8453
JAG	2	6	4	69	74	5	105	111	6	187	191	4	4153
NC (Nurse)	0	0	0	121	137	16	350	362	12	610	642	32	1257
SUPPLY	10	20	10	178	174	4	442	442	0	510	550	40	2684
CHAPLAIN	1	2	1	93	91	2	162	152	10	254	236	18	823
CEC	5	8	3	84	82	2	182	182	0	268	274	6	3133
MEDICAL Community	13	23	10	1066	959	127	1605	1435	170	2795	2903	188	2601
Staff Total	31	59	28	1510	1380	130	2496	2322	174	4014	4154	140	2517
LDO	0	0	0	33	38	5	244	242	2	792	922	130	1319
CWO	0	0	0	0	0	0	0	0	0	0	0	0	11427
LDO-CWO Total	0	0	0	33	38	5	244	242	2	792	922	130	11427
OVERALL TOTAL	212	314	102	3497	3321	176	7058	6762	298	10603	11196	593	17081

* FOR N131 INTERNAL USE ONLY

*1 = Inv, A = OPA, D = Delta

*Inv as of 31 April 2004, Spring 03 OPA

*Fuchala #s included at community level

*Tracking Report PrepMain

1131C2

FY04 COMMISSION PLAN

DATE: 8/20/03
 NAME: [REDACTED]
 SIGNATURE: [REDACTED]

DESIG	USNA	INTER-SERVICE COMMISSIONING	NROTC/CEP	OCS YIELD	TOTAL CNRC GOAL	MWR/MMA	RECALL	FROM ENLISTED	SEAMAN TO ADMIRAL	SEAMAN TO ADMIRAL - 21	INTER-SERVICE TRANSFERS	DIRECT	STUDENT OPTION	FY04 ACCESSIONS	TRAINING ATTRITE GAINS	NFO TO PILOT	LATERAL GAINS	TOTAL COMB GAIN
116X SWO(IP)	10		5	5	6		0								16			0
116X SWO(CE)	5		6	4	5										12			12
116X SWO(CO)	4			4	5										560		42	602
116X SWO(C)	206		206	40	50		3	8	14	3								120
116X SWO(N)	40		40	35	35			5	5									120
SWO TOTALS	255		336	84	96		3	8	14	3					708		42	750
1175E SUB (SE)	10		10															0
117X SUB	140		130	135	135		10	35							450			450
SUB TOTALS	140		130	135	135		0	35	0	0					450		0	450
118X SPECWAR	16		14	10	10				4	2					47		12	59
119X SPECOPS	12		15	3	3				1						31		2	33
117X NFO	99		99	179	220		5		2	0					366		10	396
119X PILOT	267		267	183	226		10	1	16	2	4				760		30	792
AVIATION TOTALS	366		366	362	445		15	1	0	18	2				1136		40	1188
URL TOTALS	789		861	594	690		18	19	37	7	7				2372		96	2480
120X HR	2		2												4		65	69
120X NUCLEAR PWR SCHL INSTRUCTOR															26		26	26
120X NAVAL REACTORS			16												24		80	82
146X EDO							2								2		38	41
151X AEDO							3								3		16	19
152X AMDO	2		2	19	19										23		118	139
160X IP	2		2				0		2	10					16		42	117
164X CRYPTO	4		4	35	38		0								43		38	92
163X INTEL	5		4	57	66		3								69		6	75
165X PAO				2	2		1								3		16	21
180X METOC	1		1	4	5		0								6		32	43
310X CEC	2		2	72	76										78		17	93
310X SUPPLY	7		3	100	107										111		12	135
290X JAG															55		7	62
410X CHC							11								45		56	56
MED/DEN SCHL	12		13												25		339	339
210X MC							5								20		314	339
220X DC							10								45		83	138
290X NC			46				5	63							98		55	265
230X MSC							38								110		65	223
RLSTAFF TOTALS	37		95	289	313		3	37	2	11					1497		41	2029
LDO								278							278			
WFO								160							160			
TOTAL ACCESSIONS REQUIRED	826		981	883	1002		21	56	39	18					4307		12	587
CONTROL	826		981	883	1002		21	56	39	18					4307		12	587
DELTA	0		25						45	20					566			4947

USNA CLASS SIZE = 1019 - 8 FN - 169 (USMC 16 2/3% OF URL QUALIFIED MIDSHIPMEN) - 4 NFO FOR COMMISSIONING - 12 ATTRITES = 826
 NROTC CLASS SIZE = 855
 ★ NUMBERS ARE CAPS AND WILL NOT BE EXCEEDED. DETAILS WILL BE PROVIDED IN THE SERVICE ASSIGNMENT LETTERS.
 SWO IP OPTION AND SUBMARINE ED NUMBERS ARE NOT ADDED INTO TOTAL.
 Direct = direct civilian procurement and MSC Loan Repayment Program
 Student Option = student programs (HSP, HSCP, NADDS, FAP, 1 Year Delay, and JAG student)
 From Enlisted = MSC IPP, MECAP, NECP, LDO, CWO

APPENDIX D. DESIGNATOR CODING (NAVPERS 15839 VOL I)

Tables 64 through 67 describe the first three of the four digits of designator code which is assigned to each Navy officer. These designators indicate which community the officer belongs to in the URL, RL,, Staff Corps and LDO and CWO groups. Table 67 lists the fourth digit of the designator which indicates the status of the officer, whether USN or USNR for the purposes of this research.

Billet Code	Billet Description	Officer Code	Officer Description	Officer Community Manager (OCM)
1000	Billet which may be filled by any appropriately skilled and experienced Unrestricted Line Officer or Special Duty Officer	NA	NA	DCNO (Manpower)
1020	Billet which may be filled by any appropriately skilled and experienced Special Duty Officer (IP) or Unrestricted Line Officer	NA	NA	DCNO (Space, Information Warfare Command and Control)
1050	Unrestricted Line Officer billet requiring an officer qualified in any one of the warfare specialties (LT and above)	NA	NA	DCNO (Manpower)
1100	Unrestricted Line Officer billet requiring Fleet Support specialty	110X	An Unrestricted Line Officer who is not qualified in any warfare specialty or in training for any warfare specialty	DCNO (Manpower)
1110	Unrestricted Line Officer billet requiring Surface Warfare qualification or afloat billets leading to such qualification	111X	An Unrestricted Line Officer who is qualified in Surface Warfare	ACNO (Surface Warfare)
1120	Unrestricted Line Officer billet requiring Submarine Warfare qualification or afloat billets leading to such qualification	112X	An Unrestricted Line Officer who is qualified in Submarine Warfare	ACNO (Undersea Warfare)
1130	Unrestricted Line Officer billet requiring Special Warfare (UDT/SEAL) qualification	13X	An Unrestricted Line Officer who is qualified in Special Warfare	ACNO (Surface Warfare)

Billet Code	Billet Description	Officer Code	Officer Description	Officer Community Manager (OCM)
1140	Unrestricted Line Officer billet requiring a Special Operations officer qualification	114X	An Unrestricted Line Officer who is a Special Operations officer by virtue of training in the EOD, DIV/ SAL, and EOM functional areas	ACNO (Surface Warfare)
1160	Unrestricted Line Officer billet for an officer in training for Surface Warfare qualification	116X	Unrestricted Line Officer who is in training for Surface Warfare qualification	ACNO (Surface Warfare)
1170	Unrestricted Line Officer billet for an officer in training for Submarine Warfare qualification	117X	Unrestricted Line Officer who is in training for Submarine Warfare qualification	ACNO (Undersea Warfare)
1180	Unrestricted Line Officer billet for a student in training for Special Warfare qualification	118X	Unrestricted Line Officer who is in training for Special Warfare qualification	ACNO (Surface Warfare)
1190	Unrestricted Line Officer billet for an officer in training for Special Operations qualification	119X	Unrestricted Line Officer who is in training for Special Operations qualification	ACNO (Surface Warfare)
NA	NA	120X	A General Unrestricted Line Officer who is: 1. Materiel Professional designated, and 2. Not qualified in any warfare specialty or in training for any warfare specialty (CAPT select and above)	DCNO (Manpower)
*1300	Unrestricted Line Officer billet, Code 0 - Other Than Operational Flying, requiring Air Warfare specialty of, or previous designation as, a pilot or NFO (LT and above)	130X	An Unrestricted Line Officer who is a member of the aeronautical community and who's rating as a pilot or NFO has been terminated. (These officers may be assigned to 1000, 1050, 1300, 1310 or 1320 designated billets, if otherwise qualified.)	Billets: ACNO (Air Warfare) Officers: CHNAV-PERS (PERS-43)

Billet Code	Billet Description	Officer Code	Officer Description	Officer Community Manager (OCM)
*1310	Unrestricted Line Officer billet, Code 0 - Other Than Operational Flying, requiring Aviation Warfare specialty of a pilot	131X	An Unrestricted Line Officer who is qualified for duty involving flying heavier-than-air, or heavier and lighter-than-air type of aircraft as a pilot	ACNO (Air Warfare)
1372	Unrestricted Line Officer billet, Code 2 - Operational Flying, for a student in training for Aviation Warfare (NFO) qualification	137X	An Unrestricted Line Officer who is in training for duty involving flying as a Naval Flight Officer	ACNO (Air Warfare)
1392	Unrestricted Line Officer billet, Code 2 - Operational Flying, for a student in training for Aviation Warfare (pilot) qualification	139X	An Unrestricted Line Officer who is in training for duty involving flying as a pilot	ACNO (Air Warfare)

Table 72. Designator Codes and Descriptions for Unrestricted Line Officer

From: NAVPERS 15839I VOL I

Table 73.

Billet Code	Billet Description	Officer Code	Officer Description	Officer Community Manager (OCM)
1200*	Restricted Line Officer Billet requiring Human Resources specialty - Plan, program, and execute life-cycle management of our Navy's most important resource -- people.	120X	A Restricted Line Officer of the Human Resources Community who will plan, program and execute life-cycle management of our Navy's most important resource -- people.	DCNO (Manpower)
1460	Engineering Duty Officer billet for an officer actively pursuing a prescribed program leading to designation as 144X	146X	Engineering Duty Officer who is in the process of completing the prescribed program leading to designation as 144X	
1500	Aerospace Engineering Duty Officer billet requiring Aerospace Engineering (AED) or Aerospace maintenance (AMD) specialties (CAPT and above)	150X	1. A Restricted Line AED Flag Officer; or, 2. A Restricted Line Captain with approximately 3 years time in grade, who was formerly either an AED officer (Aerospace Engineering—designator 151X) or an AMD officer (Aviation Maintenance--designator 152X)	COMNAV-AIRSYS-COM
1510	Aerospace Engineering Duty Officer billet requiring Aerospace Engineering (AED) specialty NOTE below applies	151X	Aerospace Engineering Duty Officer (Aerospace Engineering)	COMNAV-AIRSYS-COM
1520	Aerospace Engineering Duty Officer billet requiring Aerospace Maintenance (AMD) specialty	152X	Aerospace Engineering Duty Officer (Aviation Maintenance)	COMNAV-AIRSYS-COM
1540	Aviation Duty Officer billet, Code 0 - Other Than Operational Flying, requiring Aviation Warfare specialty of a pilot (LT through CAPT)	154X	Aviation Duty Officer	ACNO (Air Warfare)
1600	Special Duty Officer Billet requiring Information Professional specialty.	160X	Special Duty Officer of the Information Professional Community who provides expertise in information, command and control, and space systems through the planning, acquisition, operation, maintenance and security of systems	ANCO (Manpower)

Billet Code	Billet Description	Officer Code	Officer Description	Officer Community Manager (OCM)
1610	Special Duty Officer billet requiring Cryptology specialty	161X	Special Duty Officer (Cryptology)	COMNAV-SECGRU
1620	Special Duty Officer billet requiring Merchant Marine, Deck specialty	162X	Special Duty Officer (Merchant Marine, Deck)	COMSC
1630	Special Duty Officer billet requiring Intelligence specialty	163X	Special Duty Officer (Intelligence)	COMNAV-INTCOM
NA		164X	A Restricted Line Officer in training for qualification as Special Duty Officer (Cryptology)	COMNAV-SECGRU
650	Special Duty Officer billet requiring Public Affairs specialty	165X	Special Duty Officer (Public Affairs)	CHINFO
NA		169X	Special Duty Officer (Merchant Marine, Communications)	COMSC
800	Special Duty Officer billet requiring Oceanography specialty	180X	Special Duty Officer (Oceanography)	OCEANAV

Table 74. Designator Codes and Descriptions for Restricted Line Officers

From: NAVPERS 15839I VOL I

* This designator was listed in the Unrestricted Line Table but Special Duty Officers belong in the Restricted Line Table. Material Professionals, 120X is a former community designator in the URL and currently not in use for that specific purpose.

Billet Code	Billet Description	Officer Code	Officer Description	Officer Community Manager (OCM)
2000	Medical Department (Medical Admin) Officer billet which may be filled by an appropriately skilled and experienced individual of one of the Medical Department officer communities (LCDR and above)	NA	NA	BUMED-15
2100	Staff Corps Officer billet requiring Medical specialty	210X	A Medical Corps Officer	BUMED-15
*2102	Staff Corps Officer billet Code 2 - Operational Flying, requiring Medical specialty of a qualified Flight Surgeon	NA	NA	BUMED-15
2200	Staff Corps Officer billet requiring Dental specialty	220X	A Dental Corps Officer	BUMED-15
2300	Staff Corps Officer billet requiring Medical Service (Health Care Administration, Medical Allied Science, Optometry, Pharmacy, or Medical Specialist) specialty	230X	A Medical Service Corps Officer	BUMED-15
*2302	Staff Corps Officer billet, Code 2 - Operational Flying, requiring specialty of a qualified Aviation Physiologist or Aviation Experimental Psychologist	NA	NA	BUMED-15
2500	Staff Corps Officer billet requiring Law specialty	250X	A Judge Advocate General Corps Officer	JAG
2900	Staff Corps Officer billet requiring Nursing specialty	290X	A Nurse Corps Officer	BUMED-15

Billet Code	Billet Description	Officer Code	Officer Description	Officer Community Manager (OCM)
3100	Staff Corps Officer billet requiring Supply specialty	310X	A Supply Corps Officer	COMNAV-SUPSYS-COM
NA	NA	3165	A direct commissioned Supply Corps Officer in training for qualification	COMNAV-SUPSYS-COM
4100	Staff Corps Officer billet requiring Chaplain specialty	410X	A Chaplain Corps Officer	Chief of Chaplains
5100	Staff Corps Officer billet requiring Civil Engineering specialty	510X	A Civil Engineer Corps Officer	COMNAV-FACENG-COM

Table 75. Designator Codes and Descriptions for Staff Corps Officers
From: NAVPERS 15839I VOL I

Fourth Digit	Translation
0	An officer of the Regular Navy whose permanent grade is Ensign or above
1	An officer of the Regular Navy whose permanent status is Warrant Officer
	A temporary officer of the Regular Navy whose permanent status is enlisted
2	
3	An Officer of the Regular Navy who is on the retired list
4	No longer used
5	An officer of the Naval Reserve (exceptions: Note 4th digit 7 and 8)
7	An officer of the Naval Reserve on active duty in the TAR Program (Training and Administration of Reserves) [Includes officers of the TAR Program rotated to other than TAR billets] (See NOTE)
8	An officer of the Naval Reserve who was appointed in the Naval Reserve Integration Program from enlisted status or whose permanent status is Warrant Officer or enlisted
9	An officer of the Naval Reserve who is on the retired list

Table 76. Translation of Fourth Digit of Officer Designator Code
From: NAVPERS 15839I VOL I

NOTE: CNO (NO95) is the XXX7 Officer Community Manager (OCM).

APPENDIX E. MAJOR PERSONNEL POLICIES BETWEEN 1991 AND 2004

Table 68 contains major policies used to downsize end-strength, introduce females to select URL communities, retain officers, and reintroduce downsizing policies to maintain the proper end-strength.

Year	Event
1991	Accessions from NROTC significantly reduced.
1992	The 1993 Defense Authorization Act authorizes Temporary Early Retirement Authority (TERA) for 15 to 20 years of service.
	Voluntary separation programs of Voluntary Separation Incentives (VSI) & Special Separation Benefits (SSB) and Involuntary programs Selective Early Retirement Boards (SERB) authorized.
1993	The 1994 Defense Authorization Act repeals Combat Exclusion Law for females and can now serve in combat aviation and surface combatants.
	FY 1994 Officer Continuation Policy is that two-time failure of selection (FOS) LCDRs will be separated.
1994	The General URL (GURL) Community, 1100 designator, was disestablished at the end of the FY with most members transferred to the FSO Community with the 1700 designator.
1995	Establishment of the FSO Community, 1700 designator, as a Restricted Line Community. Community is open to males.
	New Fitness Report System Introduced.
1996	FY 1997 Officer Continuation Policy allows Dental Corps Officers LTs in a FOS status to be retained for three years.
	FY 1997 TERA Policy may be available to 2XFOS LCDRs and L4/L5 Officers in a Limited Duty medical status.
1997	FY 1998 TERA not available due to fiscal constraints.
	FY 1998 Officer Continuation Policy, retains two time FOS LCDRs for TERA and does not allow for the retention of LTs.
	FY 1999 TERA Policy applies to two time LCDRS and one time LCDRS FOS in Chaplain Corps, MSC, CEC, FSO and all other one time FOS LCDRs except designators 210X and 220X, and officers who have graduate education obligations beyond 01OCT99.
1998	FSO Community stops accepting accessions after April 1998 Redesignation Board.
	FY 1999 Officer Continuation Policy allows LTs in FOS status in Medical Corps Officers community be retained for three years.
1999	FSO Community update redesignated to 1100 and becomes an URL Community again.

Year	Event
	SWO Continuation Pay (SWOCP) implemented to meet SWO Department Head requirements.
	Training attrites (130X & 116X) first appear in the Lateral Transfer & Redesignation Board NAVADMIN Selection Messages.
	FY 2000 Officer Continuation Policy allows LTs in FOS status in Aviation, Surface Warfare, Submarine, Medical Nurse Corps Officer communities be retained for three years.
2000	FY 2001 Officer Continuation Policy allows LTs in FOS status in Aviation, Surface Warfare, Submarine, Medical Corps and Nurse Corps Officers communities be retained for three years.
2001	FY 2002 Officer Continuation Policy allows LTs in FOS status in Aviation, Surface Warfare, Submarine, Special Operations, Fleet Support, Intelligence, Oceanography, Civil Engineering Corps, Supply Corps, JAG Corps, Medical Service Corps, and Nurse Corps communities be retained for three years.
	The RL communities of HR, 1200 designator and IP, 1600 designator are established.
	The Fitness Report system has completed a five-year promotion cycle.
2002	FY 2003 Officer Continuation Policy allows LTs in FOS status in Aviation, Surface Warfare, Submarine, Special Operations, Fleet Support, Intelligence, Oceanography, Supply Corps, Medical Service Corps, and Nurse Corps communities be retained for three years.
	Surface Warfare Officer Critical Skills Bonus implemented to meet post SWO Department Head requirements
	First time no Promotion Selection Board held for the rank of Lieutenant. All qualified are promoted.
2003	First time for three LT&R Selection Boards held in one year.
	Surface Warfare Officer School introductory attendance eliminated.
	Submarine Support Incentive Pay (SSIP) implemented for O-4 post department head tour infrastructure requirements
	Time in Grade waiver from 3 to 2 years for Commanders & Captains for retirement.
	433 Officers failing to achieve warfare qualifications or professional certifications notified in December of an IRAD by June 2004.
	FY 2004 Officer Continuation Policy allows 2XFOS LCDRS and LTs in FOS status in Information Professional, Oceanography, and Medical Service Corps communities be retained for three years. This is not released by NAVADMIN but instead posted on Selection Board homepage.
2004	More officers expected to selected for IRAD in November 2004 with the start of FY 2005
	FY 2005 Officer Continuation Policy will be contained in the Selection Board precept for LCDRs and LTs.

Table 77. End-strength Personnel Policies Between 1991 and 2004
From: Multiple NAVADMINS

APPENDIX F. OFFICER CHARACTERISTICS REQUIRED BY SELECTING COMMUNITY

Table 69 lists by community the desired warfare qualification, undergraduate academic degree, Academic Profile Code (APC), civilian certification, if required, pay grade and any other special attributes.

Designator	Community	Warfare Qualification	Academic Degree	APC	Certification	Grade	Other
120X	HR	Required	Relevant MA/MS				Subspecialty Codes 3130, 3150, 3211
144X/146X	EDO	Surface or Submarine	Engineering or Physical Science				Technical Masters desired for LCDRs
151X	AEDO	Aviation	Engineering or Physical Science	323		LT & CDR	4 years sea duty
152X	AMDO		Business, Engineering or Physical Science			< CDR	Extensive Background in aviation maintenance
160X	IP	Desired	Information Systems, Command & Control	335			
161X/164X	CRYPT	Desired	Engineering, Science, Math, Ops Research	335		<LT	Single Scope Background Investigation (SSBI) Or Special Compartmented Information (SCI)
163X	INTEL	Desired/ Required if had opportunity	Engineering, Science, History, Political Science			<LT	SSBI
165X	PAO	Desired	Public Relations, Communications, Journalism			<LCDR	
180X	OCEAN	Desired	Meteorology, Physical Oceanography	323		<LCDR	

Designator	Community	Warfare Qualification	Academic Degree	APC	Certification	Grade	Other
310X	SUPPLY	Desired	Business Desired	N/A		<3 LT Max	
510X	CEC		Engineering or Architecture Accredited by Accreditation Board for Engineering and Technology (ABET)		Engineering- in-Training Certificate	<3 LT Max	

Table 78. Attributes Sought by Gaining Community
From: Article 1212-010 & November 2003 Requirements Letter

APPENDIX G. PSR AND OSR EXAMPLES

The PSR, Figure 38, summarizes the officers FITREPS in chronological order with no break in observation periods. The pay grade, duty station, billet title, months of observation, reporting senior, five grading traits with scores ranging 1 through 5, the averages of the reporting period and cumulative average of the reporting senior on the officer, promotion recommendation (Significant Problems, Progressing, Promoteable, Must Promote, Early Promote) and type of report. This document is fundamental to an officer's selection at an administrative or promotion board. The higher the officer's trait average in comparison to the reporting seniors, the more impressive the report is considered.

In Figure 39, the trait averages and promotion recommendations show a quality officer by the trait averages and recommendation moving higher and to the right.

This is what selection board members look for in an officer considered for selection.

Figure 40 shows an OSR that contains a summary of an officer's qualifications: undergraduate degree, AQDs, SSPs, Schools attended, awards received, special and comments from correspondences and Folder 17.

Performance Summary Report

NAME (LAST, FIRST MIDDLE)					DESIG/RATE					SSN					PAGE 2 OF 2					
SMITH, JAMES N.					1110					987-65-4321										
PG	STATION	DUTY	DATES	M O S	REPORTING SENIOR		TRAITS					AVERAGES		PROMOTION REC					RPT TYPE	
					NAME	PG	TITLE	1	2	3	4	5	RPT	CUM	SP	PR	P	MP		EP
03	WARRIOR MCM-25	ENG	960201 970131	12	JONES DA	04	CO	0	0	2	4	1	3.86 4.22	6 4.10						
03	WARRIOR MCM-25	ENG	970201 970713	05	JONES DA	04	CO	0	0	1	4	2	4.14 3.92	12 4.10	0	0				RG
03	WHIDBEY ISL LSD-55	ENG	970714 980131	07	DOE JQ	05	CO	0	0	0	4	3	4.43 4.40	16 4.40	0	0	2	X 2	2	RG
03	WHIDBEY ISL LSD-55	ENG	980201 990131	12									4.43 4.60	28 4.53	0	0	3	X 2	2	RG
03	WHIDBEY ISL LSD-55	ENG	990201 990604	04									4.71 4.71	38 4.75	0	0	0	0	X 1	RG
04	SWOSCOL COM	INST	990605 991031	05									5.00 4.71	173 4.83	0	1	5	X 3	3	RG
04	SWOSCOL COM	INST	991101 000327	05									5.00 5.00	240 4.90	0	0	5	X 3	3	RG
04	SWOSCOL COM	INST	000328 001031	07									4.29 4.00	41 4.19	0	0	5	X 3	3	RG
04	SWOSCOL COM	INST	001101 010414	06	MILLER WB	06	DIR TRNG	0	0	0	2	5	4.71 4.71	59 4.25	0	0	0	0	X 1	RG
04	PONCE LPD-20	XO	010415 011031	06	JACKSON WB	06	CO	0	0	0	3	4	4.57 4.13	5 4.33	0	0	1	1	X 1	RG

TOTAL NUMBER OF FITREPs SIGNED FOR ALL DESIGNATORS, THAT MAKE UP RSA

4.29

41

4.00

4.19

INDIVIDUAL TRAIT AVERAGE

SUMMARY GROUP TRAIT AVERAGE

REPORTING SENIOR CUMULATIVE AVERAGE FOR ALL ALL DESIGNATORS THAT GRADE

Figure 38. Performance Summary Report (PSR) Trait Averages
From: EDO Community Manager Website (11 February 2004)

[illegible]

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Sample OSR Cover Sheet

(With Briefer's Notes and Grades)

Cover Detail pages									
<div> <div>prev</div> <div>next</div> <div>COV</div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>?</div> </div>									
NAME			OFFICER SUMMARY RECORD						
			YG 79		DATE PROC:		120498SEQ.NUM:		0744
SSN	FILE NO	DESIGNATOR	DATE OF BIRTH	AGE	PROF.SERV.DATE	FOR BOARD USE			
		1320	570310	41					
PROM HISTORY:	CAPT.	CDR	LCDR	LT	LTJG	ENS	WARRANT		
DATE OF RANK		940801	890601	830601	810530	790530			
PRESENT DUTY STATION					PRESENT BILLET				
NSAWC HAND PICKED N6					TRA PLN AVFLGT				
EDUCATION					SERVICE SCHOOLS ATTENDED				
COLLEGE	DATE/LEVEL	MAJOR	LANG PROF	SUB-SP	COURSE: AV SAF COMMAND NAVWC COMD STF				
NWC NPT RI	91 MASTER	FRGN AFF		0028G	DATE/WKS:9402 01 9006 42				
SALVE REGI	90 MASTER	STRG GEN			COURSE: SLATS				
CITADEL	79 BACH/1 PR	MANAGMNT			DATE/WKS:8701 02				
ACTIVE DUTY					REMARKS				
BASE DATE	PREVIOUS MIL	YEAR	MONTHS	HIGHEST	E-2 C.O. ALWAYS ABOVE THE PACK,				
790512	SERVICE:			RATE/GRD	COMMUNITY LEADER, RECOMMENDED				
PERSONAL DECORATIONS					FOR FRS C.O. BY BERNIE SMITH.				
CMD					SELECTED FOR JUNIOR SERVICE COLLEGE				
E2C expert					SELECTED FOR SENIOR SERVICE COLLEGE				
Post Grad					UNDERWAY QUALS, JPME-READY FOR				
IZ					JOINT.				
SPECIAL QUALIFICATIONS					LPH/LHA/PHILBRON				
1.CARAEW E2C					BONUS SELECT				
2.AVIACDRCMD									
3.CDO UNDERWAY									
4.JPME PHASE1									
5.NFOTRA ATDS									
6.									

Figure 40. Officer Summary Record (OSR)
From: EDO Community Manager Website (11 February 2004)

APPENDIX H. TIMING OF APPLICATION FOR THE LT&R PROCESS

Table 70 explains when in the early career of an officer that they can submit an application to participate in the LT&R process. The table includes the approximate number of FITREPS they would have received to build their PSR, the number of selection boards that they could participate prior to making a career decision to remain with the Surface Community or separating from the Navy.

Time	SWO Availability per LT&R Board	Fitness Report/s Month	Board Eligibility	Comments
May (0)	N/A	November	No	Commissioned as an ENS (116X) from USNA/NROTC in May.
				Report to first ship (27 months)
				Fitness Report May Not be Observed (NOB), no qualitative or quantitative measurement of the officer's performance).
May (1 st Year)	40	May November	No	
May (2 nd Year)	40	May or August / February	No	Automatic promotion to LTJG.
				Officer should qualify as a SWO (111X).
May (3 rd Year)	20	August / February	November	Report to 2 nd Sea tour (18 months) Division Officer Sequencing Program (DOSP)
				1 st eligible LT&R Board
May (4 th Year)	15	May or August / January	April November	Automatic promotion to LT.
				Service obligation expires for NROTC
				Report to 1 st Shore tour (24 months)
				2 nd and 3 rd LT&R Boards

Time	SWO Availability per LT&R Board	Fitness Report/s Month	Board Eligibility	Comments
May (5 th Year)	5	January	April November	Service obligation expires for USNA.
				4 th and 5 th LT&R Boards
May (6 th Year)	2	January	April November	Submission of Resignation 9-12 months prior to desired separation MILPERSMAN 1920-200, MILPERSMAN 1920-090, NAVADMIN 216/99
May (7 th -10 th Years)	2	January	April November	Department Head Tour (acceptance of Surface Warfare Continuation Pay, makes officer ineligible for LT&R for next three years).
May (11 th +20 Years)	2	October	April November	Selected for LCDR, now in a controlled pay-grade.

Table 79. Timing of Applicants to Apply for the LT&R Process
From: November 2003 Requirements Letter, BUPERSINST 1610.10,
MILSPERMAN Article 1210-100.

APPENDIX I. LATERAL TRANSFER AND REDESIGNATION HISTORY BETWEEN 1996 AND 2003

Year	Month	Data
1996	April	PERS-251 Responsible, Cite Title 10 U.S.C. Code Section 531
	May	Cited SWO accession shortfalls in YG 92 & 93
		Changes application submission form 60 days to 75 days in the MILSPEMAN
		CNP approved list
	October	Cited SWO accession shortfalls in YG 92, 93, 94
1997	June	PERS-811/251 established
	December	N131D comments on New Navy Augmentation (Transfer to the Regular Navy) Policy, cites SECNAVINST 1210.5A, Transfer and Redesignation of Officers in the Navy
		Change to Title 10, U.S.C. Section 532, newly commissioned officers serve at least one year as a reserve officer before receiving a regular appointment
		PERS-251 responsible
1998	April	First time PERS-8 mentioned
		Deputy Chief of Naval Operations (Manpower and Personnel) approves
1999	February	Minimal Activity Tour (MAT) in current designator mentioned
		Members must serve 2 years in new designator
		ADO & FSO must serve three years
		MILPERSMAN Articles 1131-020, 1212-010, and 1212-030 (revised versions of 1020120, 1020150, and 1020320 respectively)
	May	MILPERSMAN 1426-010 mentioned
	August	GENADMIN from N13: Improves retention, and is one of the primary means of accessing high quality officers needed to man our specialized restricted line and Staff Corps Communities
		Quotas published in NAVADMIN for first time for gaining communities
		Applicants would be held for April 2000 Board
		Applicants can apply up to two communities in order of preference
		No quotas for FSO Community, pending review of structure of community
		General Requirements for applications
		Restrictions on Nuclear Trained Submarine and Surface Officers
		Submarine - Complete a Department Head Tour or be senior

Year	Month	Data
		Nuke SWO – complete LCDR billet on Nuclear powered ship or be senior Exception Nuke SWO going to EDO (N)
		Serving under a Nuclear Continuation Pay, be within one year of completion
		Brief description of open communities, their designators, minimum qualifications for each and community point of contact
	October	PERS-811
		The quality of applicants to the transfer/redesignation board was exceptional. Opportunities for selection were limited and made the process that more difficult. Applicants not selected should not be discouraged and should reapply in the future. STAY NAVY!
		FSO, 1700 Community closes to redesignation accessions
		Community is administratively converted from 1700 to 1100 and Allows for promotion opportunities from RL to URL methodology
2000	July	N13
		Restriction 6 months of completion of Training Obligation or minimum service requirement Aviation, Follow-on Training FRS, TPS, or Graduate Education, War College, NPS, TA Full second disassociated sea tour/ department head tour depending upon community and individual commitment
2001		PERS-854 mails Selectees the appointment and acceptance of oath to effect transfer from line to staff, staff to line, or staff to staff
		Exceptions SWO – Continuation Pay, must complete 1 st and 2 nd DH tour
		Exceptions SWO Aegis Fire Control Officer (FCO) or Combat Information Center Officer (CICO) for YGs 95-99. Minimum tour is 18 months tour for both billets.
		Seaman to Admiral (STA) gaining community details Selectees to undergraduate school.
	June	Applications held to next board April 2002
		Aviators must complete the Minimum Service Requirement (MSR), with exceptions approved by PERS-43 131X or 132X officers selected for 151X may be delayed to complete second sea and or aviation Department Head tour.
		1200 & 1600 Communities established
	October	Special Transition Board (24 September 2001) for most 1100 officers to 1200, 1600, and 3100 designators. Some 1100 officers remained in FSO Community, 1100.
		Functional realignment of Personnel Progression, Performance and Security Department (PERS-8) at Navy Personnel Command, Millington, TN.

Year	Month	Data
	November	Allowed new accessions into the new HR & IP Communities beyond the initial gains from the FSO Community the month prior.
	December	PERS-801G mentioned for the first time for the March 2002 LT&R Board.
		Applicants held to next board if received late for October 2002.
		If attrited from the aviation pipeline, member must have CNATRA endorsement before reapplying for aviation.
		All 137x & 139x officers must have a Naval Aerospace and Operational Medical Institute 342/BUMED 236 Endorsed Flight Physical and validate Aviation Selection Test Battery (ASTB) Scores.
		Officers who have failed to select for the next grade may request a waiver for board consideration.
		Intelligence Officers will not be allowed to laterally transfer until 12 months of completing obligatory service in present community.
		November 2001 Board provided guidance for applicants to consider improving their selection opportunity.
		First time common problems with applications submitted covered physically qualified, transcripts missing, naturalization certificate number if naturalized citizen, member's signature missing or applications received without Commanding Officer's endorsement attached.
		More recommendations provided to improve application selection to include education, security clearance, and industry certificates should be consistent with gaining community's need.
		Explain in correspondence to board any existing career anomalies
		Seek out mentor in desired community. Obtain letters of recommendations from desired community if possible.
		Documented superior performance. Breakout in FITREPS and ranking including in write-up.
		Persistence pays off... keep applying if not selected first time.
002	April	Recommendations provided to improve selection opportunity.
		Technical designators want proven technical skills or demonstrated performance.
		Gaining community endorsement is critical for redesignation, especially 116x and 130x candidates.
		Seek out mentors and obtain letters of recommendation
		Seniority matters. Candidates must be competitive for promotion in the gaining community
		Persistence matters.
	July	First time annual quotas and grades published. Pay-grade waiver requests should be included in the application.
		Aviation Community mentions Aviation Career Continuation Pay (ACCP) expiration requirement.

Year	Month	Data
		Active duty officers who have failed to select for promotion at any time either on active duty, even if subsequently promoted, are not eligible to apply for lateral transfer or redesignation. Active duty officers in a continuation status are not eligible for transfer or redesignation.
		Late applications will be held for next board, May 2003
2003	February	Late applications will be held for next board, November 2003.
	June	First time for N131D Point of Contact (POC) published.
		Announcement of previously unscheduled board, to assist communities listed that are currently under end strength.
		Automatic screening if application listed as 1 st or 2 nd choice.
		Only six communities listed.
		May 2003 board competition extra ordinarily keen.
	August	Both N131D and PERS-801G POC listed
		Use of BUPERS Access to check receipt of applications first published.
		Late applications will be held to June 2004.
		August 2003 Board, gaining community endorsement is critical for redesignation especially for junior, non warfare qualified officers
		Only year with three LT&R selection boards held: May, August, and November.
		August's LT&R Board was unplanned from conclusion of May's LT&R Board.

Table 80. Lateral Transfer and Redesignation History between 1996 and 2003

From: Multiple NAVADMINS

APPENDIX J. LT&R SELECTION RESULTS BETWEEN 1996 AND 2003

Tables 72 through 79 show the quotas, if published, and the number of selects per the gaining community for each LT&R Board between April and November 2003. Tables 80 through 94 show, by community, which other losing communities provided the selects to the gaining community by year, between 1996 and 2003.

Table 81.

April 1996 Board	Quotas Announced	Board Selects	October 1996 Board	Quotas Announced	Board Selects
Gaining Designator	N/A	116/96	Gaining Designator	N/A	269/96 & 296/96
111X/6X (SWO)		1			
118X/3X (SPECWAR)		1			
139X /1X (Pilot)		0	139X/1X (Pilot)		1
146X/4X (EDO)		26	146X/4X (EDO)		29
151X (AEDO-E)		12	151X (AEDO)		16
152X (AEDO-M)		4	152X (AMDO)		3
161X/4X (Crypt)		12	161X/4X (Crypt)		10
163X (Intel)		13	163X (Intell)		7
165X (PAO)		5	165X (PAO)		5
170X (FSO)		92	170X (FSO)		56
180X (Ocean)		3	180X (Ocean)		1
230X (MSC)		2	230X (MSC)		0
310X (Supply)		4	310X (Supply)		1
510X (CEC)		9	510X (CEC)		11
TOTAL		184			140

Table 82. 1996 LT&R Selection Results

Source: NAVADMINs 116/96, 269/96, 296/96

Notes: This table lists the spring and fall LT&R Selection Board announcements, results and amplifying guidance for gaining communities which are released via NAVADMIN Message. The messages are numerically number per calendar year. Some NAVADMIN Messages announced the number of quotas available per community, however, many did not announce quotas. The total number of selects per board is at the bottom of the Board Selects Column.

June 1997 Board	Quotas	Board Selects	October 1997 Board	Quotas	Board Selects
Gaining Designator	N/A	146/97 & 201/97	Gaining Designator	N/A	257/97 & 005/98
111X/6X		1	111X/6X		0
117X/2X		0	117X/2X		2
137X		1	137X		1
139X		1	139X		2
146X/4X		23	146X/4X		22
151X		15	151X		15
152X		2	152X		3
161X/4X		7	161X/4X		10
163X		8	163X		5
165X		4	165X		5
170X		37	170X		43
180X		1	180X		3
230X		2	230X		2
510X		3	510X		3
310X		4	310X		3
TOTAL		109			119

Table 83. 1997 LT&R Selection Results

Source: NAVADMINS 146/97, 201/97, 257/97, 005/98

Note: See Table 79.

April 1998 Board	Quotas	Board Selects	November 1998 Board	Quotas	Board Selects
Gaining Designator	N/A	097/98 & 164/98	Gaining Designator	N/A	027/99 & 029/99
111X/6X		0	111X/6X		3
113X		1			
137X/2X		0	112X/7X		1
139X1X		3	139X/1X		2
146X/4X		39	137X/2X)		1
151X		17			
152X		7	146X/4X		33
161X/4X		5	151X		18
163X		4	152X		8
165X		4	161X/4X		4
170X		37	163X		8
180X		2	165X		6
310X		0	170X)		22
510X		0	180X		6
		119	230X		2
			310X		6
			510X		8
TOTAL		119			128

Table 84. 1998 LT&R Selection Results
Source: NAVADMINs 097/98, 164/98, 027/99, 029/99
Note: See Table 79.

April 1999 Board	Quotas	Board Selects	October 1999 Board	Quotas	Board Selects	
Gaining Designator	N/A	141/99 , 142/99	Gaining Designator	227/99	307/99 , 312/99	
111X/6X		1	111X/6X		2	
112X/7X		0	112X/7X		0	
114X/7X		0	114X/7X		2	
113X/8X		1	1130/8X		0	
132X/7X		3	132X/7X		1	
131X/9X		0	131X/9X)		2	
146X/4X		27	146X/4X	72	25	
151X		11	151X	36	15	
152X		3	152X	20	7	
161X/4X		5	161X4X	23	4	
163X		2	163X	30	8	
165X		8	165X	14	7	
170X		0	170X	0	0	FSO Community
180X		3	180X	10	4	Switch to 110X
230X		2	230X	5	3	331/99
250X		1	250X	0	1	
310X		9	310X	10	9	
510X		11	510X	30	15	
TOTAL		87		250	105	

Table 85. 1999 LT&R Selection Results

Source: NAVADMINS 141/99, 142/99, 227/99, 307/99, 312/99, 331/99

Note: The FSO community stopped accepting lateral transfers and redesignations due to promotion opportunity problems.

See Table 79.

April 2000 Board	Quotas	Board Selects		October 2000 Board	Quotas	Board Selects
Gaining Designator	N/A	111/00 ,112/00		Gaining Designator	188/00	288/00
111X/6X		34		111X/6X		5
112X/7X		0		112X/7X		
114X/7X		0		114X/7X		
113X/8X		0		113X/8X		1
137X/2X		1		137X/2X		1
139X/1X		0		139X/1X		1
146X		22		146X/4X	80	31
151X		12		151X	35	15
152X		7		152X	22	7
161X/4X		7		161X/4X	29	10
163X		4		163X	30	18
165X		8		165X	10	8
110X		0		110X	0	
180X		2		180X	12	4
230X		2		230X	3	
				250X	1	1
310X		11		310X	20	9
510X		19		510X	60	16
<i>TOTAL</i>	0	129			302	127

Table 86. 2000 LT&R Selection Results
Source: NAVADMINS 111/00, 112/00, 188/00, 288/00

Note: See Table 79.

Table 87.

March 2001 Board	Quotas	Board Selects	October 2001 Board	Quotas	Board Selects	FSO Transition Board		Board Selects
Gaining Designator	N/A	076/01	Gaining Designator	161/01	340/01	Gaining Designator		273/01
						From:		
111X\6X		2	111X/6X	0	4	FSO (110X)	1043	
112X/7X		0	112X/7X	0		To:		
114X/7X		0	114X/7X	0		110X		392
			120X		25	HR (120X)		329
137X/2X		2	137X/2X)	0	3	IP (160X)		304
139X/1X		2	139X/1X)	0	2	310X		18
146X/4X		19	146X/4X	80	38			1043
151X		14	151X	35	12			
152X		6	152X	16	4			
			160X		29			
161X/4X		5	161X/4X	29	10			
163X		10	163X	30	20			
165X		5	165X	12	7			
110X		0						
180X		4	180X	12	8			
230X		0	230X	3	1			
310X		7	310X	20	17			
510X		17	510X	40	17			
TOTAL		93		277	197			

Table 88. 2001 LT&R Selection Results

Source: NAVADMINS 076/01, 161/01, 340/01, 273/01

Note: 2001 is when the HR and IP Communities were established and the FSO Community transitioned.

See Table 79.

March 2002 Board	Quotas	Board Selects	November 2002 Board	Quotas	Board Selects
Gaining Designator	337/01	114/02	Gaining Designator	198/02	401/02
111X/6X		7	111X/6X	8	
114X/7X			114X/7X	0	
120X		31	120X	60	48
137X/2X		1	137X/2X	0	4
139X/1X		2	139X/1X	0	3
146X/4X		23	146X/4X	80	32
151X		13	151X	35	24
152X		7	152X	16	11
160X		30	160X	65	23
161X/4X		12	161X/4X	60	21
163X		20	163X	40	17
165X		5	165X	18	9
180X		9	180X	18	10
230X		1	230X	2	1
310X		14	310X	20	18
510X		20	510X	30	13
<i>TOTAL</i>	0	195		384	242

Table 89. 2002 LT&R Selection Results
Source: NAVADMINS 337/01, 114/02, 198/02, 401/02
Note: See Table 79.

May 2003 Board	Quotas	Results	August 2003 Board	Quotas	Results	November 2003 Board	Quotas	Results	
Gaining Designator	028/03	168/03	Gaining Designator	173/03	230/03, 232/03, 235/03			227/03	320/03
111X/6X	0	5	111X/6X	0		111X/6X	0	5	
112X/7X	0		112X/7X	0		112XX/7X	0		
114X/7X	0		114X/7X	0		114X/7X	0		
120X	*	23	120X	60	59	120X	22	18	
137X/2X	0		137X/2X	0		137X/2X	0	2	
139X/1X	0	2	139X/1X	0		139X/1X	0	2	
146X/4X	48	23	146X/4X	48	25	146X/4X	80	27	
151X	24	12	151X	14	11	151X	20	10	
152X	5	4	152X	0		152X	10	7	
160X	*	40	160X	60	24	160X	29	27	
161X/4X	15	13	161X/4X	15	15	161X/64X	38	17	
163X	23	22	163X	0		163X	23	23	
165X	5	5	165X	0		165X	6	6	
180X	7	7	180X	7	7	180X	1		
230X	5	2	230X	0		230X	5	5	
						290X		1	
310X	5	5	310X	0		310X	7	1	
5100X)	6	10	510X	0		510X	0		
TOTAL	143	173		144	141			219	151

Table 90. 2003 LT&R Selection Results

Source: NAVADMINS 028/03, 168/03, 173/03, 230/03, 232/03, 235/03, 227/03, 320/03

Note: This is the only year that had three transfer and redesignation boards from 1996.

GAIN	LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
111X/116X SWO	100X									
	110X									
	112X									
	114X									
	116X									
	117X									
	120X									
	130X					2	1		1	4
	131X									
	132X									
	137X				1					1
	146X				1					1
	151X									
	152X								1	1
	160X									
	161X							1		1
	163X									
	164X									
	165X									
	170X	1	1	1						3
	180X							1		1
	230X									
	310X						2	5	1	8
	510X									
	6XXX	1		2	2	4	4	8	7	28
	TOTAL	2	1	3	4	6	7	15	10	48

Table 91. Surface Warfare LT&R Selects
Source: NAVADMINs

**GAIN
120X
HR**

LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
100X									
110X						329	8	6	343
111X						11	37	59	107
112X								1	1
114X								1	1
116X						11	12	1	24
117X									
120X									
130X							5	8	13
131X								3	3
132X							2	3	5
151X									
152X						1		1	2
160X									
161X									
163X									
164X									
165X									
170X									
180X									
230X								2	2
290X							1		1
310X							7	12	19
510X									
6XXX						2	4	3	9
TOTAL						354	76	100	530

Table 92. HR LT&R Selects
Source: NAVADMINS

**GAIN
131X/139X
PILOT**

LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
100X									
110X									
111X			3					1	4
112X									
114X									
116X									
117X									
120X									
130X									
131X									
132X									
151X									
152X			1	1	1		3		6
160X									
161X									
163X					1	1			2
164X									
165X									
170X									
180X		1				1			2
230X		1						3	4
250X							1		1
290X				1					1
310X	1		1			1	1	1	5
510X		1	1	1		1			4
TOTAL	1	3	6	3	2	4	5	5	29

Table 93. Pilot LT&R Selects
Source: NAVADMINs

**GAIN
132X/139X
NFO**

LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
100X									
110X									
112X									
114X									
116X									
117X									
120X									
130X									
131X			1						1
132X									
144X						1			1
151X									
152X						1	2	1	4
160X									
161X									
163X		1		1	2			1	5
164X									
165X									
170X				1					1
180X									
230X	1								1
290X					1	1			2
310X		1				2	2		5
510X									
6XXX							1		1
TOTAL	1	2	1	2	3	5	5		21

Table 94. NFO LT&R Selects
Source: NAVADMINS

**GAIN
14X/146X
EDO**

LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
100X					3				3
110X					4	4			8
111X	31	16	60	29	36	39	36	43	290
112X	21	22	9	10	9	9	14	13	107
113X								1	1
114X	1	5							6
116X	1		1	3	1				6
117X									
119X		1						1	2
120X							4	8	12
130X								1	1
131X									
132X						1		4	5
151X									
152X					1				1
160X						1			1
161X					1				1
163X							1		1
164X									
165X									
170X	1	1	3	13	1				19
180X									
230X									
310X						1		1	2
510X								1	1
6XXX						2		2	4
TOTAL	55	45	73	55	56	57	55	75	471

Table 95. EDO LT&R Selects
Source : NAVADMINS
Table 96.

**GAIN
151X
AEDO**

LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
100X									
110X									
112X									
114X									
116X									
117X									
120X									
130X									
131X	13	13	11	9	13	8	18	14	99
132X	15	17	24	16	14	18	18	18	140
137X							1	1	2
139X									
151X									
152X									
160X									
161X									
163X									
164X									
165X									
170X				1					1
180X									
230X									
310X									
510X									
TOTAL	28	30	35	26	27	26	37	33	242

Table 97. AEDO LT&R Selects

Source: NAVADMINS

Table 98.

GAIN	LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
152X	100X									
AMDO	110X									
	111X		1	7	3	2	1		1	15
	112X									
	114X									
	116X									
	117X									
	120X									
	130X	1		4	3	3	9	12	2	34
	131X	1							1	2
	132X			1						1
	137X			1						1
	139X	1								1
	151X									
	152X									
	160X									
	161X									
	163X									
	164X									
	165X									
	170X									
	180X									
	230X									
	310X			2	1			2	1	6
	510X									
	6XXX	5	4	3	4	5		4	6	31
	TOTAL	8	5	18	11	10	10	18	11	91

Table 99. AMDO LT&R Selects
Source: NAVADMINS

GAIN 160X IP	LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
	100X									
	110X						304		5	309
	111X						17	18	36	71
	112X								4	4
	114X								1	1
	116X							6	3	9
	117X						1		1	2
	120X								1	1
	130X						2	12	12	26
	131X							1		1
	132X						1	6	3	10
	151X									
	152X						2	1	2	5
	160X									
	161X									
	163X							1		1
	164X						1			1
	165X									
	170X									
	180X									
	230X									
	310X						4	1	1	6
	510X									
	6XXX						1	6	22	29
	TOTAL						333	52	91	476

Table 100. IP LT&R Selects
Source: NAVADMINS

**GAIN
161X/164X
CRYPTOLOGY**

LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
100X									
110X					1	2		1	4
111X	7	11	8	8	10	5	15	26	90
112X								1	1
114X									
116X		1				1			2
117X							1		1
120X								1	1
130X	1		1	1		2	4	4	13
131X									
132X		1							1
146X								1	1
151X									
152X							1		1
160X									
161X									
163X	1		1		1		2		5
164X									
165X	1								1
170X	4		1	1					6
180X									
230X									
250X								1	1
290X								2	2
310X	1				1	1	1	2	6
510X							1		1
6XXX	7	4			1	4	8	4	28
TOTAL	22	17	11	10	14	15	33	43	165

Table 101. Cryptology LT&R Selects
Source: NAVADMINS

**GAIN
163X
INTEL**

LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
100X									
110X						1			1
111X	8	5	12	10	13	12	18	28	106
112X	1	2	2			2			7
114X									
116X						2			2
117X									
119X					1				1
120X									
130X	1		1	5	15	9	14	11	56
131X									
132X	2			1	1	1	3	1	9
139X							1		1
151X									
152X					2			1	3
160X						1			1
161X									
163X									
164X									
165X						5			5
170X	7	5							12
180X									
230X									
250X								1	1
310X		1		1		1	1	3	7
510X	1								1
6XXX			1		1				2
TOTAL	20	13	16	17	33	34	37	45	215

Table 102. Intelligence LT&R Selects
Source: NAVADMINS

GAIN	LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
165X	100X									
PAO	110X					1				1
	111X	4	5	7	12	7	7	7	7	56
	112X				1					1
	113X				1					1
	114X									
	116X					3	1	2	1	7
	117X									
	120X									
	130X	3	2	2		2	4	4	4	21
	131X				1			1		2
	132X	1		1	1					3
	151X									
	152X									
	160X									
	161X									
	163X					1				1
	164X									
	165X									
	170X	3	1	2	1					7
	180X									
	230X									
	310X		1							1
	510X									
	61XX					1				1
	TOTAL	11	9	12	17	15	12	14	12	102

Table 103. PAO LT&R Selects
Source: NAVADMINS

GAIN	LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
170X	100X									
FSO	110X	1								1
	111X	72	42	38						152
	112X	14	12	2						28
	113X		1							1
	114X	2	1	2						5
	116X	1	1							2
	117X									
	120X									
	130X	8								8
	131X	6	4							10
	132X	14	6	6						26
	151X									
	152X	4	1							5
	160X									
	161X		1							1
	163X									
	164X									
	165X	1								1
	170X									
	180X	1	1							2
	230X	2		1						3
	310X	19	8	7						34
	510X									
	6XXX	2	2	3						7
	TOTAL	147	80	59						286

Table 104.FSO LT&R Selects
Source: NAVADMINS

**GAIN
180X
OCEAN**

LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
100X									
110X									
111X	2		4	5	5	10	13	9	48
112X	1	2	1			1	1	1	7
114X			1						1
116X		1							1
117X									
120X									
130X					1	1	3	1	6
131X			2					1	3
132X				1		1		1	3
151X									
152X									
160X									
161X									
163X					1		1		2
164X									
165X									
170X				1					1
180X									
230X									
310X									
510X									
6XXX		1							1
TOTAL	3	4	8	7	7	13	18	13	73

Table 105. Oceanography LT&R Selects
Source: NAVADMINS

**GAIN
310X
SUPPLY**

LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
100X									
110X				1		18			19
111X	2	2	1	7	5	9	5	3	34
112X									
114X		1							1
116X						1			1
117X									
120X									
130X				5		10	23	3	41
131X	1			1	1		1		4
132X									
139X				1					1
151X									
152X									
160X									
161X									
163X									
164X									
165X									
170X									
180X									
230X									
290X					1				1
310X									
510X							1		1
6XXX	3	4	5	3	1	4	1		21
TOTAL	6	7	6	18	8	42	31	6	124

Table 106. Supply LT&R Selects
Source: NAVADMINS

GAIN 510X CEC	LOSS	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
	100X									
	110X					1		1		2
	111X	5	4	6	23	9	14	25	5	91
	112X	10	1				2		1	14
	114X			2						2
	116X			1		1		1		3
	117X									
	120X								1	1
	130X	1			1	1	4	4	2	13
	131X				1		3	1		5
	132X	2			1			1	1	5
	139X						1			1
	151X									
	152X					2				2
	160X									
	161X									
	163X									
	164X						1			1
	165X									
	170X									
	180X					1				1
	230X									
	310X	2				1	1			4
	510X									
	6XXX		1							1
	TOTAL	20	6	9	26	16	26	33	10	146

Table 107. CEC LT&R Selects
Source: NAVADMINS

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APPENDIX K. DESIGNATOR END-STRENGTH BETWEEN 1992 AND 2002

Tables 95 through 100 show the end of the fiscal year end-strength per designator and officer groups between 1992 and 2002. This period covers the drawdown, retention crisis, and aggressive accessions at the later part of the 1990's and early 2000.

ENSIGN (O-1)															
Inv Year//Desig>>	110	110G	111N	111C	111	112N	112	116	130	131	132	137	139	120	14X
Inv end Sep-92	0	363	0	2	27	0	0	1,739	1	227	81	731	1,267	0	3
Inv end Sep-93	0	343	1	25	26	0	0	1,457	0	161	23	575	1,189	0	0
Inv end Sep-94	0	239	2	23	25	1	1	1,410	0	37	26	403	1,003	0	1
Inv end Sep-95	0	26	2	41	43	0	0	1,520	1	17	11	412	950	0	0
Inv end Sep-96	0	11	3	30	33	0	0	1,636	0	15	19	577	1,238	0	0
Inv end Sep-97	0	10	1	33	34	1	2	1,535	72	7	48	589	1,303	0	0
Inv end Sep-98	0	14	4	41	45	0	0	1,460	32	17	44	545	1,346	0	0
Inv end Sep-99	14	0	6	44	50	0	0	1,580	65	23	44	509	1,228	0	0
Inv end Sep-00	85	0	1	34	35	0	0	1,826	56	29	61	565	1,268	0	0
Inv end Sep-01	106	0	0	51	51	0	0	1,834	102	111	131	517	1,277	0	0
Inv end Sep-02	3	0	1	60	61	0	0	1,763	132	145	100	561	1,303	102	1
Inv Year//Desig>>	151	152	160	161	163	165	170	180	310	510	URL	RL	STAF	LDO	RSL
Inv end Sep-92	0	25	0	68	95	4	0	13	396	154	5,372	208	1,675	401	2,284
Inv end Sep-93	0	30	0	63	95	4	0	13	404	158	4,608	206	1,685	463	2,354
Inv end Sep-94	0	50	0	74	128	4	0	25	468	169	3,902	283	1,623	594	2,500
Inv end Sep-95	0	46	0	73	151	4	97	29	480	181	3,669	401	1,704	551	2,656
Inv end Sep-96	0	39	0	54	153	10	98	15	342	166	4,199	369	1,468	488	2,325
Inv end Sep-97	0	43	0	73	185	9	99	3	194	155	4,258	412	1,205	493	2,110
Inv end Sep-98	0	43	0	71	153	9	90	6	251	132	4,158	372	1,139	466	1,977
Inv end Sep-99	0	56	0	84	136	9	85	9	302	122	4,215	379	1,198	665	2,242
Inv end Sep-00	0	50	0	93	148	4	13	13	401	158	4,698	321	1,355	777	2,453
Inv end Sep-01	0	59	0	96	173	4	0	20	426	180	5,033	352	1,444	795	2,591
Inv end Sep-02	0	61	2	105	195	4	0	14	341	181	5,016	484	1,325	757	2,566

Table 108. Pay Grade O-1 Designator End Strength between 1992 and 2002

Source: N131

LTjg (O-2)																
Inv Year//Desig>>	110	110G	111N	111C	111	112N	112C	112	116	130	131	132	137	139	120	14X
Inv end Sep-92	0	443	52	1,070	1,122	327	2	329	1,094	19	1,377	787	107	565	0	4
Inv end Sep-93	0	407	35	945	980	283	0	283	911	4	1,087	694	122	549	0	7
Inv end Sep-94	0	343	37	811	848	356	0	356	788	7	681	513	176	696	0	6
Inv end Sep-95	0	16	50	709	759	378	3	381	766	11	639	358	184	685	0	0
Inv end Sep-96	0	12	80	747	827	249	0	249	622	8	491	278	103	468	0	1
Inv end Sep-97	0	12	88	846	934	281	2	283	627	36	567	303	67	326	0	0
Inv end Sep-98	0	36	94	913	1,007	235	11	246	598	66	668	433	94	411	0	5
Inv end Sep-99	59	0	100	900	1,000	243	0	243	471	81	773	452	134	424	0	3
Inv end Sep-00	92	0	118	920	1,038	201	1	202	461	108	832	384	132	318	0	6
Inv end Sep-01	87	0	111	1,022	1,133	195	17	212	512	102	969	452	27	131	0	12
Inv end Sep-02	0	0	81	1,202	1,283	216	1	217	526	149	998	493	69	144	109	9
Inv Year//Desig>>	151	152	160	161	163	165	170	180	310	510	URL	RL	STAF	LDO	RSL	
Inv end Sep-92		75	0	112	214	3	0	34	621	207	6,698	442	1,690	740	2,872	
Inv end Sep-93		54	0	102	159	6	0	26	473	197	5,816	354	1,574	734	2,662	
Inv end Sep-94		44	0	74	115	7	0	27	462	175	4,990	273	1,699	623	2,595	
Inv end Sep-95		48	0	73	130	8	299	26	467	182	4,260	584	1,739	620	2,943	
Inv end Sep-96		50	0	91	151	12	191	37	499	189	3,501	533	1,615	668	2,816	
Inv end Sep-97		58	0	103	167	10	123	32	480	195	3,570	493	1,666	699	2,858	
Inv end Sep-98		69	0	96	193	17	116	27	359	186	3,964	523	1,567	609	2,699	
Inv end Sep-99		72	0	85	208	12	101	29	238	176	4,026	510	1,342	543	2,395	
Inv end Sep-00		77	0	87	196	11	0	31	325	171	4,015	408	1,368	559	2,335	
Inv end Sep-01		64	0	105	169	12	1	22	406	169	4,111	385	1,387	776	2,548	
Inv end Sep-02		62	8	108	184	10	0	34	484	185	4,435	524	1,498	883	2,905	

Table 109. Pay Grade O-2 Designator End Strength between 1992 and 2002

Source: N131

LT (O-3)																
Inv Year//Desig>>	110	110G	111N	111C	111	112N	112C	112	116	130	131	132	137	139	120	14X
Inv end Sep-92	0	858	282	3,066	3,348	1,213	82	1,295	94	68	4,328	2,437	14	46	0	314
Inv end Sep-93	0	783	281	2,883	3,164	1,287	77	1,364	97	46	4,558	2,380	12	30	0	262
Inv end Sep-94	0	696	280	2,556	2,836	1,320	49	1,369	79	45	4,591	2,221	12	54	0	270
Inv end Sep-95	0	9	268	2,347	2,615	1,254	28	1,282	91	46	4,279	2,035	15	27	0	240
Inv end Sep-96	0	15	271	2,212	2,483	1,252	16	1,268	93	47	4,153	1,975	20	58	0	217
Inv end Sep-97	0	29	299	2,201	2,500	1,172	21	1,193	77	65	3,938	1,842	21	69	0	175
Inv end Sep-98	0	28	293	2,040	2,333	1,018	31	1,049	52	64	3,473	1,567	29	91	0	174
Inv end Sep-99	45	0	264	1,874	2,138	962	16	978	44	62	3,041	1,386	26	73	0	163
Inv end Sep-00	390	0	236	1,862	2,098	858	13	871	99	73	3,002	1,376	25	57	0	145
Inv end Sep-01	268	0	251	1,819	2,070	800	12	812	94	82	2,974	1,343	15	35	0	142
Inv end Sep-02	17	0	246	1,878	2,124	825	23	848	90	89	2,968	1,272	13	42	118	153
Inv Year//Desig>>	151	152	160	161	163	165	170	180	310	510	URL	RL	STAF	LDO	RSL	
Inv end Sep-92	14	221	0	230	369	82	0	138	1,154	570	12,940	1,386	7,164	1,873	10,423	
Inv end Sep-93	16	221	0	230	406	73	0	142	1,188	557	12,876	1,356	7,261	1,824	10,441	
Inv end Sep-94	11	206	0	256	442	78	0	152	1,137	552	12,280	1,417	6,940	1,777	10,134	
Inv end Sep-95	6	180	0	250	402	77	635	137	1,091	466	10,764	1,927	6,696	1,667	10,290	
Inv end Sep-96	5	146	0	241	391	63	682	121	993	476	10,445	1,866	6,565	1,671	10,102	
Inv end Sep-97	9	132	0	254	391	60	694	108	1,000	500	10,073	1,823	6,508	1,583	9,914	
Inv end Sep-98	12	130	0	259	366	66	621	109	928	490	8,989	1,737	6,493	1,661	9,891	
Inv end Sep-99	9	124	0	260	360	64	537	117	871	442	8,082	1,634	6,543	1,612	9,789	
Inv end Sep-00	4	138	0	252	347	71	0	104	746	390	8,285	1,061	6,364	1,616	9,041	
Inv end Sep-01	0	141	0	214	376	68	0	89	682	383	7,984	1,030	6,285	1,496	8,811	
Inv end Sep-02	0	144	62	232	381	67	0	94	658	403	7,771	1,251	6,241	1,470	8,962	

Table 110. Pay Grade O-3 Designator End Strength between 1992 and 2002

Source: N131

LCDR (O-4)																
Inv Year//Desig>>	110	110G	111N	111C	111	112N	112C	112	116	130	131	132	137	139	120	14X
Inv end Sep-92	0	702	122	1,580	1,702	596	186	782	1	20	1,517	1,245	0	0	0	384
Inv end Sep-93	0	680	124	1,515	1,639	585	201	786	2	21	1,453	1,195	0	1	0	399
Inv end Sep-94	0	577	122	1,214	1,336	534	188	722	0	19	1,187	917	0	0	0	351
Inv end Sep-95	0	3	127	1,221	1,348	499	202	701	1	16	1,291	05	0	0	0	341
Inv end Sep-96	0	2	125	1,152	1,277	463	200	663	0	8	1,389	868	0	0	0	321
Inv end Sep-97	0	1	131	1,060	1,191	498	173	671	0	3	1,465	842	0	0	0	324
Inv end Sep-98	0	1	124	1,025	1,149	499	157	656	1	4	1,465	856	0	0	0	331
Inv end Sep-99	2	0	122	932	1,054	471	133	604	0	2	1,477	26	0	0	0	342
Inv end Sep-00	461	0	113	912	1,025	435	168	603	0	4	1,472	830	0	0	0	341
Inv end Sep-01	427	0	113	929	1,042	467	165	632	0	5	1,416	82	0	0	0	324
Inv end Sep-02	135	0	120	918	1,038	467	139	606	0	8	1,364	887	0	0	144	291
Inv Year//Desig>>	151	152	160	161	163	165	170	180	310	510	URL	RL	STAF	LDO	RSL	
Inv end Sep-92	146	154	0	174	306	63	0	142	791	302	6,177	1,426	4,837	934	7,197	
Inv end Sep-93	134	152	0	177	310	58	0	138	760	289	5,986	1,411	4,582	850	6,843	
Inv end Sep-94	113	135	0	160	284	41	0	117	623	266	4,938	1,225	4,232	827	6,284	
Inv end Sep-95	120	130	0	175	316	48	525	128	636	309	4,428	1,800	4,151	819	6,770	
Inv end Sep-96	115	136	0	180	309	57	504	139	622	283	4,383	1,770	4,112	802	6,684	
Inv end Sep-97	111	140	0	174	292	58	478	140	606	268	4,327	1,722	4,080	754	6,556	
Inv end Sep-98	116	139	0	178	320	53	501	150	599	262	4,278	1,790	3,854	688	6,332	
Inv end Sep-99	120	133	0	172	317	49	467	144	525	268	4,109	1,745	3,778	693	6,216	
Inv end Sep-00	121	129	0	169	326	52	0	141	517	268	4,543	1,280	3,809	718	5,807	
Inv end Sep-01	116	130	0	185	319	53	0	143	508	268	4,547	1,270	3,904	791	5,965	
Inv end Sep-02	110	120	148	183	318	52	0	137	520	271	4,190	1,503	3,945	804	6,252	

Table 111. Pay Grade O-4 Designator End Strength between 1992 and 2002

Source: N131

CDR (O-5)																	
Inv Year//Desig>>	110	110G	111N	111C	111	112N	112C	112	116	117	130	131	132	137	139	120	14X
Inv end Sep-92	0	266	75	1,038	1,113	392	73	465	0	0	9	1,165	711	0	0	0	300
Inv end Sep-93	0	294	76	949	1,025	373	106	479	0	0	7	1,102	675	0	0	0	297
Inv end Sep-94	0	282	78	901	979	363	117	480	0	0	3	990	596	0	0	0	264
Inv end Sep-95	0	1	90	849	939	368	129	497	0	0	2	894	585	0	0	0	246
Inv end Sep-96	0	0	85	865	950	360	134	494	0	0	3	864	588	0	0	0	245
Inv end Sep-97	0	0	83	836	919	339	135	474	0	0	3	878	580	0	0	0	248
Inv end Sep-98	0	0	82	912	994	355	137	492	0	0	2	953	657	0	0	0	237
Inv end Sep-99	4	0	96	940	1,036	387	135	522	0	0	3	952	661	0	0	0	234
Inv end Sep-00	285	0	89	888	977	373	108	481	0	0	1	923	673	0	0	0	230
Inv end Sep-01	311	0	75	878	953	333	126	459	0	0	0	962	683	0	0	0	222
Inv end Sep-02	103	0	69	850	919	335	103	438	0	0	0	986	667	0	0	96	230
Inv Year//Desig>>	151	152	160	161	163	165	170	180	310	510	URL	RL	STAF	LDO	RSL		
Inv end Sep-92	150	89	0	97	168	40	0	69	568	186	3,925	941	2,680	233	3,854		
Inv end Sep-93	155	86	0	99	167	44	0	75	559	172	3,729	950	2,716	220	3,886		
Inv end Sep-94	150	82	0	98	168	41	0	74	482	169	3,455	898	2,686	230	3,814		
Inv end Sep-95	153	82	0	99	172	40	290	75	448	166	3,031	1,178	2,648	215	4,041		
Inv end Sep-96	150	85	0	99	174	35	339	79	463	178	3,010	1,226	2,688	216	4,130		
Inv end Sep-97	138	87	0	93	176	32	373	84	461	177	2,972	1,249	2,732	199	4,180		
Inv end Sep-98	119	83	0	92	179	32	366	80	462	176	3,215	1,203	2,796	184	4,183		
Inv end Sep-99	127	84	0	93	166	34	283	83	420	169	3,306	1,114	2,636	187	3,937		
Inv end Sep-00	134	83	0	95	169	35	0	83	422	162	3,459	837	2,532	180	3,549		
Inv end Sep-01	133	84	0	106	163	35	0	82	415	176	3,495	831	2,507	187	3,525		
Inv end Sep-02	131	88	86	110	175	37	0	78	437	176	3,243	1,035	2,543	223	3,801		

Table 112. Pay Grade O-5 Designator End Strength between 1992 and 2002

Source: N131

CAPT (O-6)																
Inv Year//Desig>>	110	110G	111N	111C	111	112N	112C	112	130	131	132	137	139	120	14X	
Inv end Sep-92	0	44	35	493	528	226	16	242	0	564	170	0	0	0	138	
Inv end Sep-93	0	47	34	525	559	236	12	248	0	546	165	0	0	0	139	
Inv end Sep-94	0	47	37	475	512	223	6	229	0	494	154	0	0	0	130	
Inv end Sep-95	0	1	38	454	492	232	8	240	0	521	156	0	0	0	122	
Inv end Sep-96	0	0	38	432	470	232	9	241	0	491	174	0	0	0	124	
Inv end Sep-97	0	0	41	444	485	256	10	266	0	489	187	0	0	0	120	
Inv end Sep-98	0	0	51	437	488	277	5	282	0	466	196	0	0	0	111	
Inv end Sep-99	1	0	52	424	476	282	3	285	0	445	202	0	0	0	111	
Inv end Sep-00	101	0	62	451	513	301	5	306	1	445	211	0	0	0	118	
Inv end Sep-01	98	0	59	422	481	280	5	285	1	400	221	0	0	0	120	
Inv end Sep-02	55	0	59	416	475	264	5	269	1	391	244	0	0	23	115	
Inv Year//Desig>>	150	151	152	160	161	163	165	170	180	310	510	URL	RL	STAF	LDO	RSL
Inv end Sep-92	67	20	12	0	39	72	14	0	29	224	96	1,756	391	1,444	24	1,859
Inv end Sep-93	67	21	12	0	43	74	15	0	27	214	90	1,776	398	1,410	19	1,827
Inv end Sep-94	67	22	13	0	45	73	16	0	29	191	89	1,617	395	1,413	25	1,833
Inv end Sep-95	64	21	8	0	40	77	17	64	31	178	84	1,458	444	1,354	24	1,822
Inv end Sep-96	60	23	9	0	40	75	24	80	30	180	92	1,426	465	1,376	24	1,865
Inv end Sep-97	59	24	9	0	39	72	24	78	28	184	95	1,475	453	1,385	21	1,859
Inv end Sep-98	48	35	11	0	41	72	24	78	23	175	83	1,485	443	1,392	19	1,854
Inv end Sep-99	56	19	11	0	34	68	22	92	24	164	83	1,458	437	1,387	22	1,846
Inv end Sep-00	52	17	14	0	38	70	16	1	29	165	83	1,631	355	1,440	25	1,820
Inv end Sep-01	48	18	15	0	38	80	15	0	32	174	91	1,546	366	1,465	23	1,854
Inv end Sep-02	55	20	9	24	39	84	19	0	32	177	86	1,496	420	1,502	27	1,949

Table 113. Pay Grade O-6 Designator End Strength between 1992 and 2002
Source: N131

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